



AVIATION SPECIAL | Page 4
Resilience frameworks
in focus as ACI
supports Gulf hubs

**WANT TO
SHOWCASE YOUR
BRAND/SERVICES HERE?**
CALL: 444 666 21

Thursday, March 19, 2026
Ramadan 30, 1447 AH

GULF TIMES
BUSINESS

DOMESTIC DEMAND : Page 2
Chinese economy
surprises with
rebound but war
risks loom

Save and Become a Millionaire

5,000,000

QAR IN CASH PRIZES

For more information, please scan the QR code

Shop with Confidence
16001

15 April 2026 - 15 July 2026
5 October 2026
Merge draw

This campaign is valid from 01 January 2026 to 30 September 2026.
Terms and conditions apply.

البنك التجاري
COMMERCIAL BANK



QBA vice-chairman Sheikh Dr Khalid bin Thani al-Thani joins the heads of foreign chambers of commerce and international business councils operating in Qatar during a roundtable meeting held in Doha.

QBA affirms investor confidence in Qatar's robust economy

Qatar's robust economic fundamentals create a secure and inviting atmosphere for both local and foreign investors, a top official of the Qatari Businessmen Association (QBA) has said.

QBA vice-chairman Sheikh Dr Khalid bin Thani al-Thani made the statement during a roundtable meeting with heads of foreign chambers of commerce and international business councils operating in Qatar.

Held in the presence of representatives from several affiliated companies at the QBA's Doha headquarters, the meeting highlights the association's commitment to fostering cooperation with Qatar's private sector and the country's business community.

Chaired by Sheikh Dr Khalid, the meeting was attended by representatives from France, Spain, the UK, Germany, Switzerland, Türkiye, South Korea, Malaysia, the Netherlands, and Ukraine, as well as QBA general manager Sara Abdallah.

During the meeting, Sheikh Dr Khalid affirmed that Qatar has implemented all necessary measures and effective initiatives to maintain economic stability and ensure business continuity under the leadership of His Highness the Amir Sheikh Tamim bin Hamad al-Thani.

Sheikh Dr Khalid stressed that Qatar continues to reinforce its position as "one of the most stable and attractive investment destinations in the region." He noted that the country's strong economic fundamentals and institutional stability provide a secure environment for both local and international investors, despite prevailing global conditions.

The meeting also discussed avenues to enhance joint economic cooperation and expand partnerships between the local private sector and foreign companies that supports sustainable growth and strengthens confidence in the Qatari market.

Sheikh Dr Khalid added that private sector companies "represent a key pillar of the national economy," benefiting from a business environment characterised by transparency, regulatory stability, and advanced infrastructure.

Several heads of chambers of commerce in Qatar affirmed that the Qatari economy enjoys "a high degree of resilience and adaptability to global developments," supported by strong financial reserves, high credit ratings, and an advanced logistics system that ensures the uninterrupted flow of goods and services and the continuity of supply chains.

Representatives of the business councils also noted that Qatar

remains a preferred investment destination for them, emphasising that their affiliated companies continue to operate on a daily basis without disruption.

The chambers of commerce also lauded QBA for its "engagement and ongoing communication," aimed at unifying both foreign and local private sector stakeholders in a way that serves shared interests and supports development in Qatar.

The participants of the meeting agreed to develop a joint action plan for sustained cooperation with chambers of commerce and business councils through workshops, including the organisation of regular sessions and specialised joint economic forums with foreign chambers and their affiliated companies.

This aims to enhance partnership opportunities between Qatari and foreign firms, build long-term economic relationships, support market stability, and strengthen confidence in the business environment.

Both the QBA and the international chambers of commerce in Qatar affirmed that this step represents a practical platform for integrating the local and foreign private sectors, contributing to reinforcing Qatar's position as a regional hub for business and investment.

Al-Kaabi holds virtual meeting with UK energy secretary



The Minister of State for Energy Affairs HE Saad bin Sherida al-Kaabi held a virtual meeting with the Rt Hon Ed Miliband, the Secretary of State for Energy Security and Net Zero of the UK, yesterday. Discussions during the meeting dealt with the impact of the ongoing regional conflict on the global energy industry and ways to ensure the security of energy supplies. HE al-Kaabi reaffirmed the State of Qatar's commitment to remain a reliable energy supplier and looked forward to continuing and strengthening energy relations and cooperation with the UK.

Al-Kaabi holds virtual meeting with Japan minister



The Minister of State for Energy Affairs HE Saad bin Sherida al-Kaabi held a virtual meeting with Ryosei Akazawa, the Minister of Economy, Trade, and Industry of Japan, yesterday. They discussed the impact of the ongoing regional conflict on the global energy industry and ways to ensure the security of energy supplies. HE al-Kaabi reaffirmed Qatar's commitment to remain a reliable energy supplier and looked forward to continuing and strengthening its long-standing energy cooperation with Japan.

QCB maintains current rates

The Qatar Central Bank (QCB) decided on Wednesday to maintain the current interest rates for QCB Deposit Rate (QCBDR), QCB Lending Rate (QCBLR), and QCB Repo Rate (QCBRR) following an assessment of Qatar's current monetary policy, reports QNA. In a statement published on its official X platform, the QCB confirmed that it will keep the QCBDR at 3.85% and the QCBLR at 4.35%, and QCBRR at 4.10%.



Fed holds interest rates steady, still projects one cut in 2026



The US Federal Reserve building in Washington, DC. The Federal Open Market Committee voted 11-1 to hold the benchmark federal funds rate in a range of 3.5% to 3.75%. Governor Stephen Miran dissented, calling for a quarter-point reduction.

Bloomberg
Washington

Federal Reserve officials left interest rates unchanged and continued to expect one rate cut this year as they acknowledged increased uncertainty due to war in the Middle East. "The implications of developments in the Middle East for the US economy are uncertain," officials said on Wednesday in a post-meeting statement. "The committee is attentive to the risks to both sides of its dual mandate."

The Federal Open Market Committee voted 11-1 to hold the benchmark federal funds rate in a range of 3.5% to 3.75%. Governor Stephen Miran dissented, calling for a quarter-point reduction.

This marks the second straight time officials held rates in place, though the economic backdrop has changed significantly since their last meeting. In January, policymakers signaled growing confidence the unemployment rate was stabilizing. Soon after, several officials sounded intent on holding rates for an extended period to help nudge inflation lower. Then came a weak February employment report that cast fresh doubt on the steadiness of the labor market. US-Israeli strikes against Iran that began on February 28 have also caused global oil prices to surge, threatening to boost inflation and undermine growth and employment. Officials dropped language from their January statement describing the labor market as showing signs of stabilization. In its place, they said

the unemployment rate was "little changed in recent months." Investors reacted to the war by pulling back their expectations for rate cuts in 2026, though they still see one reduction by the end of the year, according to pricing in federal funds futures. President Donald Trump on Monday called for an immediate rate cut. In a fresh set of rate projections, officials continued to expect one quarter-point rate cut in 2026 and one in 2027. No policymakers indicated a preference to raise rates this year. In their updated economic forecasts, policymakers slightly upgraded their outlook for growth in 2026 to 2.4%, from the 2.3% they forecast in December. Their unemployment forecast remained unchanged at 4.4% for the end of 2026. Officials also raised their outlook for 2026 inflation to 2.7% from 2.4%.

Notably, they saw the core measure — which excludes volatile food and energy categories — also rising to 2.7%. Central bankers typically don't raise rates when energy prices jump because the impact on inflation is temporary. But that approach hinges on the public continuing to expect inflation will settle around the Fed's 2% goal over the long term. After five years of elevated inflation, some policymakers worry that expectations could creep up, though most survey and market-based measures remain in check. Powell's term as chair expires in May and Trump has nominated a former Fed governor, Kevin Warsh, to replace him. But a key Republican senator — who views the DoJ probe as politically motivated — has vowed to block Warsh's confirmation so long as the investigation continues.



UAE central bank supports lenders as Iran war continues

Bloomberg
Dubai

The United Arab Emirates' central bank rolled out a resilience package to support the banking sector and boost liquidity and lending capacity as the fallout from the Iran war ripples through regional markets and dents investor sentiment.

The measures allow lenders to access as much as 30% of their cash reserve requirement balances and tap term liquidity facilities in dirhams and US dollars, the central bank said in a statement Tuesday. They also provide temporary relief on liquidity and stable funding ratios, and include the release of key capital buffers, to support the economy.

Banks will also be allowed to delay classifying loans as non-performing for borrowers affected by the "extraordinary circumstances," according to the central bank. The package of measures "creates liquidity access of up to 214bn dirhams (\$58bn) for UAE banks and frees up core capital of about 110bn dirhams for economic support," according to Jefferies Financial Group Inc.

Nareh Bilandani, head of Central and Eastern Europe, Middle East and Africa equity research at the bank, said in the note that no material stress has yet emerged in the system and that the measures are "preventive in nature," mainly intended to reassure edgy market sentiment. UAE stock markets rose for a second straight day. Emirates NBD PJSC climbed

as much as 9.2% on Wednesday, while Abu Dhabi Commercial Bank rose 6.7% before trimming gains. Property stocks also advanced, with Emaar Properties PJSC rising as much as 7.8%. Even so, Dubai's benchmark index remains down more than 13% since the war began, while Abu Dhabi's is down nearly 8% — among the worst performers globally. The UAE has borne the brunt of retaliation from Tehran amid the US-Israeli war on Iran. Energy infrastructure, airports as well as buildings in residential and commercial districts have been damaged by projectiles and debris from interceptions. Yet much of the country has remained open, with shops and restaurants operating and many offices shifting to work-from-home arrangements.

The central bank underscored the financial system's strength, pointing to foreign exchange reserves of more than 1tn dirhams. Liquidity available, including reserves held at the central bank and eligible assets for its operations, stands at about 920bn dirhams, with reserve balances alone exceeding 400bn dirhams, the central bank said. "Clearly the focus of this package is on liquidity as a priority given UAE banks have more risk exposure to deposit outflow," Bloomberg Intelligence analyst Edmond Christou said. "Banks are operating at \$87bn of excess cashflow over a 3-month period, covering 30% of potential retail deposit outflows, but the additional access to reserve balances standing over \$109bn definitely offer strong support."

Chinese economy surprises with rebound, but war risks loom

Bloomberg
Hong Kong

China's economy rebounded in early 2026 with a surprising uptick in domestic consumption and investment, an acceleration that may prove hard to sustain if the war in Iran stalls exports.

Factories revved up production as shipments overseas surged at the start of this year. Industrial output climbed 6.3% in January-February from a year earlier, according to data released by the National Bureau of Statistics, the fastest growth since September.

Other segments of the economy that are more reliant on domestic demand also got off to a stronger start than expected. Retail sales rose 2.8% in the first two months — more than triple their gain in December — while fixed-asset investment unexpectedly expanded 1.8% after contracting for the first time on record in 2025.

"While risks to the outlook have increased amid geopolitical tensions and disruptions to global trade and energy markets, the latest figures indicate that China entered the year with a firmer growth footing than previously thought," said Hao Zhou, chief economist at Guotai Junan International in Hong Kong. "This should help cushion the economy against external shocks in the near term."

The figures provide an encouraging snapshot of the world's second-biggest economy this year, after it ended 2025 with the slowest growth since the reopening from Covid lockdowns in late 2022. As domestic consumption and investment cooled, gross domestic product growth decelerated in the fourth quarter to 4.5% from a year earlier.

But in the past two weeks, the widening conflict in the Middle East has upended energy markets and caused a new disruption to trade. While China is less vulnerable to an oil price shock than other major economies in Asia, its export machine is exposed to the threats to global growth and inflation.

Higher fuel and raw material costs could also squeeze profit margins of manufacturers already under pressure from cut-throat competition.

Chinese government bonds declined across the curve after the upbeat data, and

as fears of inflation sweep through markets following the spike in oil prices caused by the Iran war. The yield on 30-year bonds rose to the highest since August 2024, with the offshore yuan maintaining its 0.1% gain versus the dollar.

The improvement across the economy will likely delay the rollout of stimulus as policymakers assess the fast-changing situation in the Middle East. Economists polled by Bloomberg in late February expected a cut to the policy interest rate and banks' required reserves by the end of March, but the likelihood of a later reduction is rising.

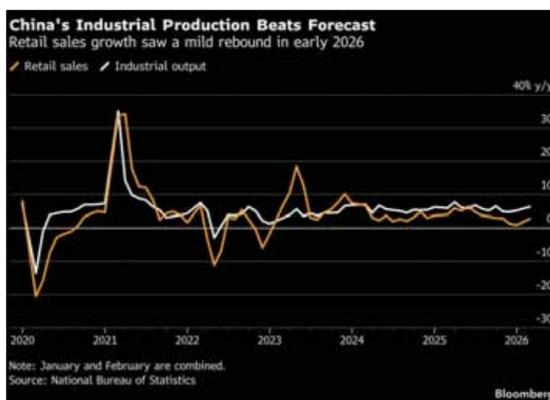
"The biggest surprise would be the positive increase in FAI," said Serena Zhou, senior China economist at Mizuho Securities in Hong Kong. "Such upside surprises may delay the timing of the rate cut we've been expecting," she said, adding that they had been forecasting a decrease by the end of March.

Prior to the latest report, China's investment had been contracting on a monthly basis since mid-2025. Economists have explained the downturn by pointing to a combination of factors, including weakening business confidence as well as a potential adjustment made to correct past over-reporting in the statistics. Government spending on infrastructure also slowed as authorities focused on repaying debt. Now a nascent shift appears to be underway. Infrastructure investment surged 11.4% in the first two months from a year ago — the fastest increase for the period since 2021.

That could be a result of authorities embarking on construction projects delayed from late 2025, when the growth target already appeared within reach.

"The rapid recovery of infrastructure investment shows that macroeconomic policies are proactively providing support, and the strength of fiscal spending will likely be maintained," economists at CF40, a Beijing-based think tank, wrote in a note.

China's producer prices have narrowed their declines in recent months and could climb back up above zero as early as in March, thanks to a rally in oil. A sustained rise in prices could support the investment figures, which were weighed down by deflationary pressure in the past few years.



A worker produces fiber netting at a factory in Binzhou in China's eastern Shandong province. China's economy rebounded in early 2026 with a surprising uptick in domestic consumption and investment, an acceleration that may prove hard to sustain if the war in Iran stalls exports.

Foreign funds drag QSE down 101 points; M-cap erodes QR3.29bn

By Santhosh V Perumal
Business Reporter

Heightened geopolitical tensions yesterday wiped off the initial gains on the Qatar Stock Exchange that it finally settled 101 points lower, eroding more than QR3bn in capitalisation.

The foreign institutions were increasingly net profit takers as the 20-stock Qatar Index fell 0.97% to 10,292.16 points, although it touched an intraday high of 10,550 points.

The Gulf retail investors turned net sellers in the main market, whose year-to-date losses mounted to 4.37%.

The telecom and transport counters witnessed higher than average selling pressure in the main bourse, whose capitalisation melted QR3.29bn or 0.54% to QR611.03bn mainly on account of small cap segments.

However, the domestic institutions were increasingly net buyers in the main market, whose trade turnover and volumes were on the increase.

The local retail investors turned net buyers in the main bourse, which saw as many 0.01mn exchange traded funds (sponsored by AlRayan Bank and Doha Bank) valued at QR0.12mn trade across 18 deals.

The Gulf institutions were increasingly bullish in the main market, which saw no trading of sovereign bonds.

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

The Total Return Index shed 0.97%, the All Share Index by 0.65% and the Al Rayan Islamic Index by 0.99% in the main bourse.

The telecom sector index plummeted 2.97%, transport (1.75%), banks and financial services (0.44%), industrials (0.4%), and consumer goods and services (0.3%); while insurance and real estate gained 0.59% and 0.01% respectively.

As many as 35 gained, while 17 declined and one was unchanged in the main market.

Major shakers in the main market included Milaha, QLM, Ooredoo, Doha Bank, Woqod, Commercial Bank, AlRayan Bank, Industries Qatar and Nebras Energy.

Nevertheless, 66% of the constituents extended gains in the main bourse with major movers being Beema, Baladna, Leshia Bank, Alijarah Holding, Al Mahhar Holding, Qatar Oman Investment, Salam International Investment, Widam Food, Meeza, Qatar National Cement, Qatari Investors Group, Aamal Company, Qamco, Mazaya Qatar and Estithmar Holding.

In the venture market, Techno Q saw its shares appreciate in value.

The foreign institutions' net selling increased significantly to QR211.4mn against QR13.35mn on March 17.

The Gulf individuals turned net sellers to the tune of QR0.28mn compared with net buyers of QR0.11mn the previous day.

However, the domestic institutions' net buying rose substantially to QR138.22mn against QR49.7mn on Tuesday.

The local individuals were net buyers to the extent of QR40.84mn compared with net sellers of QR36.41mn on March 17.

The Gulf funds' net buying strengthened considerably to QR27.87mn against QR3.28mn the previous day.

The Arab individual investors' net buying rose perceptibly to QR5.05mn compared to QR1.55mn on Tuesday.

The foreign retail investors' net profit booking weakened markedly to QR0.3mn against QR4.89mn on March 17.

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

The main market saw a 14% jump in trade volumes at 274.93mn shares more than doubling value to QR1.27bn on 27% increase in deals to 32,707.

In the venture market, a total of 0.08mn equities valued at QR0.16mn changed hands across 20 transactions.

Bloomberg QuickTake Q&A

Why the Iran war is reviving US stagflation fears

By Vince Golle and Matthew Boesler

The Iran war has reverberated through energy and financial markets, rekindling inflation concerns and risks to economic growth. Unlike last year, when the source of these worries was President Donald Trump's tariffs, the concerns now are based on fears that sharply higher oil prices could become entrenched.

Any extended period of high energy costs threatens tipping the economy into a recession while also keeping upward pressure on inflation, a rare economic predicament known as stagflation.

What is stagflation?

Stagflation occurs when a slowdown in growth takes place alongside rising joblessness and accelerating inflation. Iain Macleod, a British politician, coined the term in 1965, combining the words "stagnation" and "inflation." Plenty of economists once doubted stagflation was possible. That's because slower demand typically limits how much businesses can charge for goods and services, capping prices. But it can occur if the economy faces new upward pressures on prices — tariffs or oil-supply shocks, for example — that aren't driven by rising demand.

What causes stagflation?

Economists point to a combination of external shocks and policy missteps as the recipe for stagflation. Much of their analysis is based on the most famous episode of stagflation, in the US during the 1970s. In 1971, President Richard Nixon reacted to decades of building balance-of-payments pressures, when more capital was flowing out of the US than coming in, by taking the US off the gold standard — that is, letting



Gasoline prices are seen at a Chevron station in Houston, Texas, on Monday. Any extended period of high energy costs threatens tipping the US economy into a recession while also keeping upward pressure on inflation, a rare economic predicament known as stagflation.

the dollar's value float. The currency's subsequent fall relative to other currencies added to inflationary pressures at home.

Then in 1973, during the oil embargo on the US and other nations, oil prices surged. As a result, US businesses not only passed along those costs but cut back on production — a step that added to inflation while also increasing unemployment. Some also point to mistakes by the Federal Reserve, which waited to raise interest rates. By 1975, the so-called Misery Index

— the sum of inflation and the unemployment rate — reached 19.9%. It peaked in 1980 at 22%.

How are stagflation risks evolving now?

For economists, stagflation risks would increase significantly only if disruptions of supplies including oil and petroleum products persisted. But the risk of stagflation can't be totally discounted. Shipping through the Strait of Hormuz remains

essentially near a stand-still. The US labor market, meanwhile, is fragile, and consumers remain frustrated by a still-high cost of living. Rising fuel prices, if sustained, have the potential to curtail the household spending that has been a key driver of economic growth.

How bad could it get?

Economists say that some ingredients of stagflation, including the inflationary impact of tariffs, are slowly building. Sal Guatieri, senior economist at BMO Capital Markets, contends that the Iran war will lift inflation while rattling investor and business confidence. Still, economists don't see job losses or inflation rising to anywhere near levels that prevailed in the mid-1970s, when the unemployment rate hit 9% and inflation soared above 10%.

What might stagflation feel like for US consumers?

If stagflation were to take hold, consumers would face higher prices for all kinds of goods and services as companies pass on the increase in the costs of energy, household services and transportation. At the same time, more Americans would lose their jobs and have a harder time finding new ones.

What does it mean for interest rates?

The Federal Reserve committee that sets interest rates will have to decide whether it wants to cut borrowing costs to shore up the job market, or keep rates steady to make sure inflation expectations stay in check. In early March, Chicago Fed President Austan Goolsbee said supply shocks such as higher oil prices have the potential to "lead you in a stagflationary direction." But Fed Governor Christopher Waller said he doesn't expect the Iran conflict to have a sustained impact on inflation.

First an oil shock, now a strong dollar surprise?

By **Jamie McGeever**
Orlando, Florida

War in the Middle East means investors may not only have to contemplate a higher oil price, but also a stronger dollar than many had bargained for at the start of the year. The greenback has emerged as one of the clearest "safe-haven" winners since the US-Israeli strike on Iran on February 28 sparked conflict across the region and virtually closed the Strait of Hormuz, choking off nearly a fifth of global oil supplies. The dollar has outshone all other currencies, including the Swiss franc and Japanese yen, and outperformed other traditional safe havens like Treasuries and gold by a considerable margin. Suddenly, the bearish 2026 consensus for the dollar looks extremely stale. Unexpected dollar strength could have

far-reaching ripples, affecting global trade, growth, and markets. All else equal, a stronger dollar tightens financial conditions, erodes US corporate earnings, and is a drag on global trade. Emerging economies exposed to dollar-denominated debt are also especially vulnerable. The dollar's safe-haven allure makes intuitive sense. The United States is self-sufficient in energy, so is not as vulnerable to the threat of spiking gasoline prices, though with US crude above \$90 a barrel, it's certainly not immune. Japan is in a much worse spot, however, as it imports almost all its energy. This has dimmed the yen's attraction during this crisis, while the Swiss National Bank has warned it will intervene to limit any excessive rise in the Swiss franc. Meanwhile, US stocks and bonds have performed well since the war broke out. Wall Street's outperformance has been

striking, and Treasuries are also faring well against other developed bond markets, especially UK gilts. Put it all together, and the greenback's outlook is suddenly a lot brighter. The dollar index, a broad measure of its value against a basket of major currencies, has already strengthened 2% this month. While that pace of appreciation is unlikely to be sustained, more upside is on the cards if the war or its fallout lasts into the summer or beyond. "The dollar is likely to maintain the upper hand if oil prices, risk aversion and cross-asset volatility all stay elevated," say HSBC analysts. That's not how the broader market saw it at the start of the year. The consensus view on the dollar was bearish, due to worries around Federal Reserve independence and expected rate cuts. Futures markets were pointing to at least 50 basis points of Fed cuts by December. Barely one quarter point of easing is fully priced now.

The dollar index slumped to a four-year low at the end of January, but it has since rebounded a solid 5%. Further gains will prompt a rethink of many 2026 assumptions. One could be global trade. An under-reported reason why global trade has been so resilient in the face of US President Donald Trump's tariffs is the dollar's 10% fall last year, says Felipe Camargo, lead economist at Oxford Economics. Global export volumes in 2025 excluding the US grew by 5.3%, significantly faster than the 10-year average pace of 3%. In a dollar-dominated trade system, a weaker greenback makes dollar-invoiced goods cheaper and strengthens international trade linkages. Camargo estimates that a 10% rise in the dollar's value could cause global trade volumes to fall 6-8% below his current baseline forecasts, wiping out all last year's gains. In that scenario, trade volumes could drop as much as 5% below his pre-

tariff forecast at the beginning of last year. In a similar vein, the dollar's slide last year provided a powerful tailwind for US earnings. A stable dollar this year would remove that tailwind, a rebound would turn it into a headwind. That's because anywhere between 30% and 40% of S&P 500 companies' revenues are generated overseas. That figure rises above 50% for the tech sector, which is significant given how much tech firms drive overall US earnings. They account for around a third of the S&P 500's market cap, and around a fifth of total earnings growth. A powerful dollar rally this year would be a wildly out-of-consensus move. But it wouldn't need to be that extreme to make investors reassess all their 2026 outlooks.

■ **Jamie McGeever** is a columnist for Reuters. The opinions expressed here are those of the author.

Bank of England may hold interest rates unchanged at 3.75%

Bloomberg
London

The Bank of England (BoE) may respond more aggressively than expected to soaring energy prices since war broke out in the Middle East because its internal models assume a large and long-lasting impact on inflation. Work published by the central bank at the end of last year suggests it will adopt "a more hawkish tone than we expect," according to Dan Hanson, chief UK economist at Bloomberg Economics. Taking the analysis literally, the energy shock "could well prompt a screeching hawkish turn" from recent expectations of rate cuts.

Hanson said he expects rates to be held unchanged at 3.75% when the bank announces its decision on Thursday, to buy time to respond to the rapidly evolving events. But the BoE "will probably say the recent rise in energy prices has shifted the balance of risks around the near-term inflation outlook to the upside," he added.

The analysis highlights the headwinds facing UK Chancellor of the Exchequer Rachel Reeves as she tries to spur eco-

nomical growth. She's repeatedly trumpeted the BoE's six rate cuts since Labour came to power in 2024 as an indication that the UK economy is turning a corner, and until US and Israeli strikes on Iran sparked the current conflict at the end of last month, it had looked like the nine-member Monetary Policy Committee would have backed a quarter-point cut to 3.5%. Markets were pricing one further cut later this year.

But with the war bringing Gulf oil and gas traffic to a standstill, energy prices have soared, raising inflation expectations and dimming the prospect of further rate cuts boosting homeowners.

The Office for Budget Responsibility and others have warned inflation may now end the year at 3% - a percentage point above the bank's central forecast. Markets now put a 50% chance of a rate rise to 4% by December.

Most economists expect the bank to look through the energy price spike, with the median of forecasts from a Bloomberg survey still anticipating two cuts to 3.25% this year.

However, Hanson's analysis of a BoE paper published in August found that the impact of higher oil prices "is about

three times larger than our estimate." "In other words, it's possible the central bank judges the spike in crude will have a bigger impact on prices than we expect," he said.

A separate piece of work by the BoE in November showed household inflation expectations tend to respond to an energy supply shock like the one triggered by the war in the Middle East.

Inflation expectations tend to prolong actual inflation because worker demands can trigger a wage-price spiral.

"The logic is simple - energy is a salient component of the Consumer Price Inflation basket so it affects perceptions about the pace of price rises in the future," Hanson said.

Despite the BoE's more hawkish assumptions, Hanson said it is unlikely to follow through with rate rises because unemployment is rising, meaning people "aren't well positioned to push for higher wages."

"At the same time, demand is weak, making it hard for firms to push through price rises to protect their profit margins," he added. "The central bank will almost certainly hold rates steady this week, citing uncertainty created by the war."

BoC keeps its policy rate at 2.25%

Reuters
Ottawa

The Bank of Canada (BoC) on Wednesday kept its key policy rate on hold, as expected, but Governor Tiff Macklem warned it was ready to raise borrowing costs if higher energy prices risked turning into persistent inflation.

The bank, which has kept its key rate at 2.25% since October, said the Middle East conflict would drive up gasoline prices and boost inflation in the short term.

"It is too early to assess the impact of the war on growth in Canada," Macklem told reporters, adding that, for now, the risk of higher energy costs spilling into broader prices looked contained.

"Governing Council will look through the war's immediate impact on inflation but if energy prices stay high, we will not let their effects broaden and become persistent inflation," he said.

Before the conflict, inflation had hovered near the bank's 2% target for several months, with policy seen as modestly support-



Tiff Macklem, governor of the Bank of Canada.

rate unchanged for the duration of this year," he said.

However, money markets, which had priced in a likely December hike, increased their bets for an increase from June onwards, with expectations for a full 25-basis-point move in December rising sharply.

The Canadian dollar weakened after the announcement, slipping 0.20% to C\$1.3717 or 72.90 US cents. "Economic weakness combined with rising inflation is a dilemma for central banks," said Macklem.

"Raising interest rates to slow inflation could further weaken the economy. Easing interest rates to support growth risks pushing inflation well above target."

He said near-term growth was likely to be weaker than the bank projected in January and described uncertainty as acute.

Canada is also contending with US tariffs on some critical sectors, subdued business investment, a soft labour market and uncertainty over the future of the US-Mexico-Canada trade deal.

"Canada's economy is dealing with a lot, and now we face more volatility," Macklem said.

ing a weak economy. Economists say persistently high energy prices could upend forecasts for growth and inflation if the Strait of Hormuz - which handles a fifth of global oil trade - remains shut for more than a few weeks.

"The tone of these communications reinforces our view that the Bank of Canada is willing to look through the impacts of higher energy prices on CPI so long as the conflict doesn't last for too long," Royce Mendes, managing director at Desjardins, wrote in a note.

"As a result, we continue to expect officials will leave the policy

Commerzbank CEO vows to boost profits to parry UniCredit bid

Bloomberg
Frankfurt

Commerzbank AG chief executive officer Bettina Orlopp vowed to boost earnings in an effort to demonstrate the bank is better on its own, a day after receiving a takeover bid from UniCredit SpA. "We are currently thinking about accelerating" the process of raising Commerzbank's profitability, Orlopp said in a Bloomberg TV interview on Tuesday in London. "That is in the interest of all shareholders." The comments follow a low-ball €35bn (\$40bn) offer for Commerzbank from UniCredit CEO Andrea Orcel on Monday, demonstrating how Orlopp is seeking to project confidence in her standalone strategy for the German lender. She can also count on the backing from the German government, which on Monday reiterated its opposition to a takeover by UniCredit. Orlopp said last month that full-year profit is expected to

exceed the previous outlook of €3.2bn. "Our existing guidance should be considered as a floor," a company spokesman clarified after the Tuesday interview. "We signaled at the time that we see considerable upside potential." Speaking at the Morgan Stanley European Financials conference later on Tuesday, Orlopp said that the lender's targets for profitability and costs should be seen as the minimum she plans to achieve. Commerzbank is currently targeting a return on tangible equity of 15% by 2028, and a cost-to-income ratio of 50%. "It is very likely that this is more a floor when it comes to the RoTE, and a cap when it comes to the cost-income ratio, given the movement we currently see and given also what we see already for 2026," she said.

Commerzbank rose as much as 1.6% in Frankfurt trading, extending Monday's 8.6% rally. With a premium of just 4% over the Friday close, Orcel's bid is only designed to push UniCredit's stake past 30% while not giving it full control of Commerzbank. The

Italian lender can subsequently choose to buy more shares in the German firm on the open market without triggering a legal requirement to make a bid, which otherwise would have happened when crossing the 30% threshold. "This is an offer at a very low price," Orlopp said in the interview.

Under Orlopp, who took over just weeks after Orcel first disclosed an interest in buying Commerzbank in late 2024, the German firm has taken strides in cutting costs and delivering higher shareholder returns. The lender's share price has roughly doubled since she took over, though it's down more than 10% since the beginning of the year.

Orcel said his latest move is intended to open a "constructive dialog" with Commerzbank. Orlopp suggested at the Morgan Stanley conference that the bid was a tactical move, and said she was surprised UniCredit still hasn't made a concrete proposal how it wants to create value through a deal.



A taxi passes the Bank of England in London. The BoE may respond more aggressively than expected to soaring energy prices since war broke out in the Middle East because its internal models assume a large and long-lasting impact on inflation.

AT YOUR SERVICE

AUTO - TYRES / BATTERIES / LUBE - CHANGING

METRO CITY TRADING W.L.L. | Cars, 4x4, Pickups, Buses, Trucks, Forklifts
Street No. 28, Wakalath Street, Ind. Area, M: 33243356, T: 44366833, www.metrocityqatar.com

CAR HIRE

AL SAAD RENT A CAR Head Office-Bldg: 242, C-Ring Road T: 4444 9300
Branch-Barwa village, Bldg #17, shop #19.....T: 4415 4414, ...M: 3301 3547

CLEANING

CAPITAL CLEANING CO. W.L.L. All type of Cleaning Services-Reasonable Rates
T: 44582257, 44582546 F: 44582529 M: 33189899 Em: capitalcleaningwll@gmail.com

PEST CONTROL & CLEANING

QATAR PEST CONTROL COMPANY
T: 44222888 M: 55517254, 66590617 F: 44368727, Em:qatarpest@qatar.net.qa

BUS RENTAL / HIRE

Q MASTER W.L.L. 15/26/30/65 Seater Buses with / W-out Driver
Contact # 55853618, 55861541 (24 Hours) F: 44425610 Em: qataroffice@yahoo.com

THOUSANDS RENT A CAR

Bldg No 3, Al Andalus Compound, D-ring Rd., T: 44423560, 44423562 M: 5551 4510 F: 44423561

ISO / HACCP CONSULTANTS

QATAR DESIGN CONSORTIUM - ISO 9001, 14001, 45001, 39001, 27001, 22301, 41001, etc.
T: 4419 1777 F: 4443 3873 M: 5540 6516Em: jenson@qdcqatar.net

SPA & MASSAGE

CROWN SPA: We provide Full body massage service by Experienced / Professional Therapist. Call M: 33704803 / 50195235 / 66894816

THOUSANDS TRANSPORT 60/67 Seated A/C non AC Buses w/ w-out driver
T: 4418 0042...F: 4418 0042...M: 5587 5286...Em: sales@thousandstransport.com

BUDGET RENT A CAR Competitive rates for car rental & leasing
Main Office T: 4432 5500...M: 6697 1703. Toll Free: 800 4627, Em: info@budgetqatar.com

TRAVELLER TRANSPORT - 13/22/26/36/66 Seater Bus With & Without Driver.
Tel: 44513283 Mob: 30777432 / 55899097. Email: info@travellertransport.com

HIPOWER TRANSPORT: 13/22/26/66 Seater Buses & Pickups with & without driver.
Tel: 4468 1056..... Mob: 7049 5406..... Em: hipower@safarigroup.net

AT YOUR SERVICE
DAILY FOR THREE MONTHS

Updated on 1st & 16th of Every Month

QR. 1200/-



How Gulf carriers are navigating most disruptive crisis in years

By Alex Macheras

Three weeks into the most severe aviation crisis since the pandemic, the dividing line across the industry is becoming clear. Operational agility: The ability to make fast, credible decisions when the ground is shifting daily and the rulebook has been set aside, has once again emerged as the determining factor.

The scale of what the industry is absorbing deserves to be stated plainly. Around 50,000 flights have been cancelled since hostilities began on 28 February. At the peak of the disruption, over half of all departing flights from Gulf airports could not operate normally.

The Strait of Hormuz, through which approximately one fifth of global oil demand passes, is severely disrupted, sending Brent crude above \$109 a barrel and jet fuel prices to levels that have doubled in ten days.

Under normal circumstances, Gulf carriers would right now be deep in preparations for the Eid holiday travel period, one of the busiest and most commercially important windows of the quarter. Outbound travel from the Gulf surges at Eid. Families travel, leisure bookings fill premium cabins, and airlines count on the revenue. This year, those preparations have been replaced by crisis management.

The contrast with where the industry expected to be at this point in 2026 could hardly be sharper.

When Qatari airspace closed and Hamad International Airport operations fell silent, Qatar Airways built an alternative operational structure from scratch. The airline established a secondary base in Riyadh, using Saudi airspace and infrastructure to stage repatriation flights for passengers stranded across the region. Working simultaneously from Muscat and Riyadh, it organised relief flights and secured special governmental permissions to operate what are known as network-to-network services.

The concept is worth explaining. Under normal operations, a passenger travelling from Bangkok to Madrid would connect through Doha. With Doha closed, Qatar Airways secured regulatory approval to operate the aircraft directly between Bangkok and Madrid, cutting out the Doha transit entirely and getting passengers to their destination city in a single movement.



The same logic applied to Kathmandu and London, and several other city pairs across its network. Each of these operations required fresh route permissions, commercial agreements and crew planning, achieved within hours. Special flights were also arranged for cruise ship passengers and seafarers, two groups who tend to fall between the gaps when standard repatriation frameworks are applied.

Back in Doha, the airline was simultaneously managing a different problem. When airspace closed without warning, approximately 8,000 passengers found themselves stranded mid-transit at Hamad International Airport, having arrived from one city with a connection to another that could no longer operate.

Qatar Airways accommodated all of them in hotels while the situation developed, and until the Qatar Civil Aviation Authority authorised the use of a limited safe operating corridor. In effect, a single approved routing through the airspace, available during defined time windows, through which aircraft could move safely. Once that corridor opened, the airline worked through its rebooking backlog and began moving passengers onward.

Qatar Airways has this week restarted a limited commercial schedule to and from Doha, including multiple daily frequencies to key cities such as London, and has extended tier status across its Privilege Club loyalty programme.

Most of Qatari airspace, however, remains closed today, as the regional situation continues to unfold. Emirates has operated in a different register throughout. The size of its network means any restart is a significant undertaking, and so is any suspension. The airline moved through multiple rounds of capacity increases followed by full operational halts as Dubai International Airport came under direct threat from drone strikes on at least four occasions. When a fuel depot at the airport was struck in mid-March, services were partially redirected to Al Maktoum International. Emirates has consistently signalled intent to restore full operations at each available window, and the stop-start reality since then reflects not a lack of effort but the conditions of running the world's largest international hub inside what has now become an active conflict zone.

Ethiad, operating from Abu Dhabi, has taken the most cautious approach of the three. The airline spent the acute phase of the crisis at a fraction of normal capacity and has been rebuilding its schedule carefully and quietly. Its preference for stability over speed has been evident throughout, and there has been little of the network-level improvisation visible elsewhere. How that positioning lands commercially as competitors move to rebuild passenger relationships is a question the coming months will answer.

Bahrain's Gulf Air entered this crisis in a structurally exposed position. Heavily dependent on a single hub, Bahrain International Airport has been closed to civilian traffic since February 28 with no reopening timeline in sight. Without access to its own airport or its own airspace, the options were limited.

The airline's response was to establish a working operational base at King Fahd International Airport in Dammam, in Saudi Arabia's Eastern Province, running long-haul services to London, Mumbai, Bangkok, Frankfurt and Nairobi from Saudi soil.

Passengers in Bahrain were offered complimentary bus transfers across the King Fahd Causeway to Dammam, with Saudi transit visas coordinated by the airline for those who needed them. The Dammam schedule has since expanded to include Cairo, Casablanca and Chennai. What started as a temporary repatriation measure has grown into a functioning interim network, and the practicalities of delivering that, without your own airport, without your own

airspace, with ground transport built into the passenger journey, are considerable. One of the more striking illustrations of how thoroughly this crisis has redrawn the map of global aviation is visible over the South Caucasus. Georgia, Armenia and Azerbaijan, three small countries whose combined airspace would barely register on a normal day of global traffic, have become one of the primary corridors linking Europe and Asia.

Georgian airspace alone has gone from handling around 642 flights per day to a record 1,500 to 2,000 daily movements as airlines reroute north to avoid the closed Gulf corridor. Armenia and Azerbaijan are carrying equivalent increases. It is a narrow strip of sky, handling traffic volumes it was never designed to absorb, and its fragility was underlined in early March when Iranian drones crossed into Azerbaijan and struck the terminal building at Nakhchivan airport. The incident temporarily closed part of the southern Baku airspace and served as a reminder that the alternative corridors now carrying the weight of global aviation are not themselves insulated from the conflict.

European carriers have largely suspended services to Gulf and Levant destinations, and the windows being published now signal that few expect a rapid return. British Airways has suspended Abu Dhabi services until the end of the year, cancelled Dubai flights through to the end of June, and pulled Amman, Bahrain and Doha from sale through to the end of April and beyond. The Lufthansa Group has extended suspensions across the region into April. Air France and KLM have adjusted accordingly.

The more revealing story in Europe, however, is not the route suspensions. It is the fuel. Scandinavian Airlines this week announced the cancellation of at least 1,000 flights in April, on top of several hundred already removed from March. SAS chief executive Anko van der Werff told Swedish media that jet fuel has doubled in price in ten days and that the shock hits the industry directly.

The affected routes are primarily short-haul domestic services within Norway. SAS has no meaningful direct exposure to the Middle East as a destination market, which is precisely the point. An energy market disruption originating in the Gulf is now cutting capacity on intra-Nordic routes, and it will not be the last such consequence to surface across Europe.

For passengers connecting between Asia

and Europe, the crisis has produced a fare environment that in several markets has become genuinely difficult to absorb. Bloomberg has reported Asia-Europe airfares rising by as much as 900% on specific routes as Gulf carrier capacity collapsed and alternatives filled quickly.

Passengers across Southeast Asia have been sharing fares approaching \$10,000 for one-way economy tickets to European cities, journeys that would ordinarily cost a fraction of that. One-way fares on Bangkok to London, which ordinarily sit around \$870, have been quoted above \$3,000.

Hong Kong to London, typically priced between \$600 and \$1,400, has reached \$2,500 on certain dates, with premium economy and business class fares on the same routes climbing considerably further.

A round trip from Sydney to London that was priced at \$1,500 before the crisis has been quoted above \$2,700 in recent weeks. Eight Middle Eastern airlines serving Thailand suspended operations simultaneously, pushing demand onto Thai Airways, Cathay Pacific and Singapore Airlines at speed. Cathay has added extra frequencies to London and Zurich to absorb what it can. Singapore Airlines is recording its strongest forward bookings in over a year. Air India has added 36 flights across Delhi-London, Mumbai-London, Delhi-Frankfurt, Delhi-Zurich and Delhi-Toronto corridors before the end of March, adding over 10,000 seats where capacity is tight and prices reflect it.

What this crisis has continued to demonstrate, more than anything, is that agility is not a capability reserved for leaner carriers. It is a requirement at every scale. The Gulf mega-hub model was constructed on the assumption of continuous, uninterrupted access to airspace. That assumption has been stress-tested recently in a way it never has before.

Single-hub dependency, even for carriers of this size and global reach, leaves an airline with limited options when the airspace around that hub closes without warning and stays closed. The airlines that have adapted most effectively are those that moved fastest, remain the most flexible. In a crisis of this kind, that instinct is worth more than the size of a fleet or the breadth of a route map.

■ The author is an aviation analyst.
X handle: @AlexnAir.

Resilience frameworks in focus as ACI supports Gulf aviation hubs

By Peter Alagos
Business Editor

Gulf airports are reinforcing resilience frameworks under the guidance of Airports Council International (ACI), which is co-ordinating closely with operators to safeguard passenger welfare and operational continuity during the US-Israel-Iran conflict.

"ACI Asia-Pacific & Middle East, as a voice of airports, always works very closely with all members, and when disruption reaches this scale, we work very closely with members to extend all possible support.

"We consolidate impact assessments so that we can recommend specific, practical measures to governments and industry stakeholders. We reinforce the principle that airports are like any other civilian infrastructure and must be protected under all circumstances," Stefano Baronci, director general, ACI Asia-Pacific & Middle East, told *Gulf Times* in an exclusive interview.

Baronci explained that in the immediate term, the aviation industry's priority is the preservation of operational continuity and passenger welfare, with safety as the overriding principle.

He emphasised that the sector has developed extensive crisis-management frameworks through decades of experience with geopolitical disruptions and other systemic shocks.

"While such events inevitably cause operational disturbances, structured response mechanisms help contain instability, support stranded passengers, and prepare the system for a gradual and orderly return to normal traffic flows once conditions allow," Baronci pointed out.

In this context, Baronci noted that the ACI can



Stefano Baronci, director general, ACI Asia-Pacific & Middle East.

play an important role by reinforcing best practices and encouraging Gulf airports to apply established resilience frameworks. This includes strengthening emergency preparedness, ensuring the availability of passenger assistance services during prolonged disruptions, and maintaining clear operational protocols that allow airports to manage irregular operations safely and efficiently, he said.

Baronci underscored that continuous communication with passengers and transparent coordination with airlines are also essential components of maintaining confidence during periods of uncertainty.

"Equally critical is the close collaboration among all actors in the aviation ecosystem. Effective crisis management depends on coordinated action between airports, airlines, civil aviation authori-

ties, air navigation service providers, and national governments.

"By facilitating dialogue and the exchange of operational insights among its members, ACI can help ensure that practical measures adopted across the region remain aligned, enabling airports to respond cohesively to disruptions while safeguarding passenger welfare and operational stability," he stressed.

When airspace closures are beyond their control, Baronci explained that airports must balance operational continuity with passenger safety, especially when disruptions like airspace closures occur beyond their control.

"International standards guide this process. The International Civil Aviation Organisation requires airports to maintain an Airport Emergency Plan under ICAO Annex 14, supported by guidance in ICAO Doc 9137 Airport Services Manual Part 8.

"When disruptions occur, airports often activate an Emergency Operations Centre where airlines, air navigation service providers, ground handlers, and security authorities coordinate decisions in real time to manage resources, passenger flows, and safety," Baronci explained.

He said operational continuity is further supported by structured business continuity planning. Guidance developed by Airports Council International, including the Airport Business Continuity Management Handbook, encourages airports to maintain clear contingency plans that enable essential functions to continue during major disruptions, he noted.

"By integrating emergency planning, stakeholder coordination, and business continuity frameworks, airports are better positioned to protect passengers while gradually restoring operations as conditions allow," Baronci added.

Lufthansa Cargo sees demand surge as Iran war disrupts rivals

Bloomberg
Cologne, Germany

The Iran war created unexpected opportunities for Deutsche Lufthansa AG's cargo business after disruptions affecting Middle East rivals wiped out a chunk of available freight capacity, the unit's chief executive officer said. The conflict removed about 18%-20% of capacity from the market, Lufthansa Cargo AG CEO Ashwin Bhat said, citing disruptions affecting airlines.

"That also brings opportunity," he said in an interview. "I don't want to grow based on the bad luck of people, but the reality is that it has happened." Demand rose 10%-15% last week, with particularly strong growth in India and Southeast Asia as shippers sought alternatives, Bhat said. Lufthansa Cargo added four freighter flights to India, while volumes out of Southeast Asia jumped about 40%.

"Air cargo thrives on volatility," Bhat, 56, said. "Whenever there is disruption, people want reliability. Air cargo gives you reliability." Though the war is pushing oil prices above \$100 a barrel, Lufthansa Cargo likely won't be affected, Bhat said. While the unit doesn't hedge fuel costs, it's able to pass higher expenses on to customers.

Lufthansa Cargo generated a €324mn (\$373mn) operating profit last year, or about 17% of the group total. Bhat expects the strong demand to continue,

though he pointed to uncertainty around how production may be affected by potential fuel shortages linked to tensions around the Strait of Hormuz. Lufthansa Cargo operates 22 freighters. About half of its total capacity comes from the belly of passenger planes across the Lufthansa Group, including Austrian Airlines, Brussels Airlines and ITA Airways. The group added commercial flights to Asia and Africa for travellers seeking alternatives to the Middle East. Like the commercial airlines, the cargo unit has suspended flights to parts of the Gulf region amid airspace closures and isn't accepting bookings for affected destinations to avoid congestion at its freight hubs.

The carrier is seeing "huge" transportation demand for server racks as companies build data centers, Bhat said. E-commerce shipments driven by Temu and Shein are expected to remain strong, though upcoming European regulation creates uncertainty. Pharmaceutical shipments — among them the drugs tied to the obesity-treatment boom — are also supporting demand. Bhat said the company is "constantly looking" at ways to expand capabilities, particularly in digital services and ground operations.

Fleet expansion has been slowed by Boeing Co delivery delays, with seven 777-8 freighters now expected in 2030 instead of an earlier plan for 2027.

US airline bookings surge as travellers rush to lock in fares

Bloomberg
New York

US airlines are enjoying some of the strongest booking trends in the industry's history as travellers snap up tickets before rising fuel costs drive up fares.

Delta Air Lines Inc now expects sales to grow in the high single digits through March, after previously guiding for a range of 5% to 7% growth. American Airlines Group Inc, meanwhile, said revenue in the quarter will rise more than 10% — a record for the company — even as more-expensive fuel pushes earnings projections to the more pessimistic end of its range.

The upbeat pronouncements show that airlines in the world's biggest aviation market are reaping the benefits of consumers' rush to lock in fares before they jump because of

costs triggered by the Iran war. Delta and American Airlines both said that they had some of the strongest-ever single days of sales in March, suggesting customers are locking in prices now ahead of the busiest months of travel.

"When prices did spike, we saw a spike in demand," Alaska Airlines Inc Chief Executive Officer Ben Minicucci said during his airline's presentation at the Tuesday conference. "I think people got this initial, 'Wow, if this thing is going to go crazy, I better book my fare now before fares go up.'"

Already, fuel charges are starting to eat into the bottom line. American Airlines said the rapid increase means it now expects its adjusted loss per diluted share to be toward the lower end of its initial first-quarter guidance range of 10 cents to 50 cents.

Delta rose as much as 4.8% in



A Delta Air Lines plane prepares to land at LaGuardia Airport in New York. Delta now expects sales to grow in the high single digits through March, after previously guiding for a range of 5% to 7% growth.

early US trading, while American airlines jumped 5.2%, putting it on track for its biggest gain in a month.

American Airlines could raise additional liquidity if fuel prices stayed elevated and if the demand

environment changed, Chief Financial Officer Devon May said at the conference. The carrier has unencumbered assets that it could use to raise additional cash, though it's still early days, he said.

Delta Chief Executive Officer Ed Bastian said the airline saw a \$400mn spike in fuel costs so far this month, a figure echoed by executives at United Airlines Holdings Inc and American Airlines. Delta projects first-quarter revenue of \$15bn to \$15.3bn, according to its presentation. Non-fuel unit costs in the March quarter will be up by mid-single digits compared with last year amid lower capacity and higher operating costs.

Cost per available seat mile excluding fuel, a measure of operating expenses, will be about 14.80 cents to 15.10 cents the company said.

"We have tended to win in a period of challenge for the consumer," Southwest Airlines Co Chief Executive Officer Bob Jordan said in his presentation.

The carrier has rolled out premium initiatives to boost profit, such as more leg room and charging for

checked bags. It also transitioned from its longtime open seating system and launched assigned seats earlier this year.

"When you see things like premium pull back, that's where Southwest has won," Jordan said. "We will be the carrier that weathers this the best."

Jetblue Airways Corp also provided an update for the first quarter. Demand for travel in the first quarter strengthened, the carrier said, partially offsetting additional expenses from disruptions such as recent winter storms and rising fuel costs.

The global aviation industry has been thrown into disarray since the US and Israel began bombing Iran on February 28. Along with having to navigate complicated flight paths around war zones, airlines have also been hit by surging jet fuel prices, which represent about a third of operating costs.