**WAR DISRUPTION** | Page 4

Opec+ bolsters its oil production by 188,000 barrels from September



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BUSINESS

**INCREASING CONFIDENCE : Page 3**

China draws 'red lines' around its economic model ahead of EU, US talks



# GWC signs 15-year lease deal with Safari to set up retail facility in Logistics Village

Gulf Warehousing Company (GWC Group) has signed a 15-year leasing agreement with Safari Shopping Centre to establish a dedicated commercial retail facility within Logistics Village Qatar (LVQ).

The agreement marks a significant expansion of community services at one of the region's most advanced integrated logistics platforms. The long-term agreement features a 3,613-sq m built-up retail facility alongside 5,000sq m of dedicated parking space.

Designed to serve the thousands of workforce, residents, and surrounding commercial operators in the area, the new shopping centre expands essential community services within the Group's flagship logistics platform.

Syed Maaz, GWC Group's Chief Commercial officer, said: "A 15-year commitment from one of Qatar's most established retail groups reflects the trust, scale, quality, and long-term value built into Logistics Village Qatar. This agreement brings vital retail and community amenities for a workforce of thousands who live and operate within our infrastructure daily and the wider community."

Spanning 1mn sq m, LVQ is a globally recognised logistics hub featuring 370,000sq m of integrated warehousing and distribution facilities, alongside 75,000 sq m of residential and recreational amenities.

Strategically located 15km from Hamad Port, 18km from Hamad International Airport, and 2km from Doha's main industrial area, LVQ operates as a central supply chain node in GWC Group's integrated logistics network, connecting key trade corridors across Qatar, Saudi Arabia, the UAE, Oman, and Bahrain.

The agreement with Safari Group is the latest in a series of community-focused investments at LVQ, reinforcing GWC Group's vision of building not just logistics infrastructure, but thriving, self-sustaining communities.

GWC Group's regional platform spans 20 strategic locations across the GCC, and a global network extending to more than 120 countries through over 550 freight partners, more than 4mn sq m of logistics infrastructure, and the movement of more than 2mn tonnes of freight annually.


Syed Maaz, GWC Group's Chief Commercial officer, and Zainulabideen Kavulatthil, deputy chairman and managing director of Safari Group, signing the agreement.

HE the Minister of State for Energy Affairs, Saad bin Sherida al-Kaabi, and Mohammed Nasser al-Hajri, managing director and CEO of Nebras Energy.

## Nebras Energy reports QR580mn H1 profit

Nebras Energy's net profit in the first half of 2026 stood at QR580mn, according to its latest financial results approved by its board of directors, chaired by the Minister of State for Energy Affairs HE Saad bin Sherida al-Kaabi.

Earnings per share for H1 2026 stood at QR0.53. Nebras Energy reported revenue of QR1.54bn compared to QR1.44bn during the same period in 2025. Gross profit amounted to QR469mn compared to QR452mn in H1 2025. Total assets increased by 4% to QR24.83bn from QR23.82bn in H1 2025.

## QIB enables customers to subscribe to Baladna rights issue via mobile app, select branches

Qatar Islamic Bank (QIB) has announced its participation as a receiving bank in the Baladna Rights Issue, enabling eligible individual and corporate customers to subscribe conveniently via the QIB Mobile App, or at selected QIB branches.

The subscription period will start on August 4 and will continue until August 17 at 1pm Doha time. Each Baladna subscription right entitles its holder to subscribe for one new share at a price of QR1.01.

Eligible customers are natural persons or legal entities that hold Baladna subscription rights in their investor accounts at the end of the rights trading period today (August 3). Customers may subscribe for all or part of their available entitlement but cannot subscribe for more new shares than the number of subscription rights held under the relevant investor account. QIB encourages eligible individual customers to use the Mobile App to benefit from a seamless and paperless subscription experience and to avoid waiting times at branches.

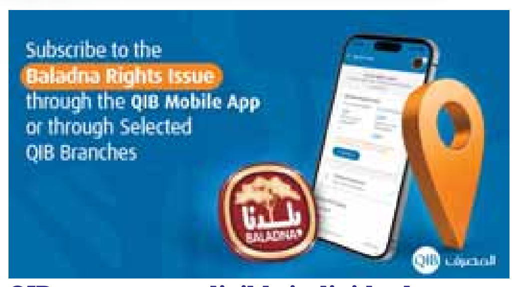
The QIB Mobile App provides eligible individual customers with a fast, secure, and convenient subscription experience. Customers can access the service by logging in to the app, selecting "More", and accessing the "Rights Issue" service. They can then review their eligibility, enter the number of shares they wish to subscribe for within their available entitlement, accept the terms and conditions, and confirm their application.

Eligible customers may also submit subscription applications on behalf of minors under their legal guardianship through the QIB Mobile App, in accordance with the applicable eligibility and payment requirements.

Corporate customers are required to submit their applications through the QIB Corporate Branch, together with the applicable authorised-signatory and supporting documents. Any customer who requires support to subscribe may visit selected QIB branches, Old Airport Road Branch, Al Rayyan Branch, QMall Branch, during standard working hours.

Customers should ensure that their investor account information with EDAA is complete, active, and up-to-date, and that sufficient funds are available in their selected account before submitting the application. Applications and subscription funds must be successfully received before the subscription deadline.

Customers are advised to carefully review the official Baladna Rights Issue Prospectus, including the eligibility requirements, subscription conditions, allocation arrangements, and associated risk factors, before making a subscription decision.




QIB encourages eligible individual customers to use the Mobile App to benefit from a seamless and paperless subscription experience and to avoid waiting times at branches

## MoCI, QDB workshop promotes foreign investment growth and private sector business relations

The Ministry of Commerce and Industry (MoCI) and Qatar Development Bank (QDB) have organised a session on 'Foreign Investment and Partnerships in Qatari Companies: Legal Framework and Best Practices'."

The session brought together private-sector representatives, investors, entrepreneurs, and owners of small and medium-sized enterprises (SMEs) based in Qatar.

The initiative forms part of MoCI and QDB's efforts to enhance the investment environment, develop the country's commercial and industrial sectors, and support business growth.

It aimed to strengthen awareness of commercial legislation and familiarise private-sector stakeholders with partnership requirements, helping create an environment conducive to business growth, investment attraction, and the diversification, competitiveness, and sustainability of the national economy.

Discussions covered key legal and regulatory considerations related to foreign investment and business partnerships in Qatar, as well as the mechanisms and procedures governing the participation of foreign partners in Qatari companies.

The participants were also briefed on the rights and obligations of partners under applicable regulations and legislation, with the aim of supporting successful and sustainable investment partnerships.

A discussion session enabled participants to exchange views and examine key observations and legal challenges facing the private sector. This contributes to mitigating risks and enabling businesses to establish effective commercial partnerships that create opportunities for growth, support economic sustainability and competitiveness, and facilitate access to new markets locally and internationally.

The initiative forms part of MoCI and QDB's efforts to enhance the investment environment, develop the country's commercial and industrial sectors, and support business growth

## Specialised innovation clusters seen to drive Qatar's startup expansion

**By Peter Alagos**
Business Editor

Specialised industrial innovation clusters could serve as a primary catalyst to accelerate growth across Qatar's evolving startup ecosystem, a new sector report has highlighted.

"Innovation clusters are at the centre of a sector-focused strategy, creating a dense, specialised environment for growth. This also constitutes one of the best mechanisms to create international attraction, for founders, researchers and investors alike," according to findings detailed in the Qatar Startup Ecosystem Study.

Concentrating resources on high-potential niche sectors where the country holds established competitive advantages offers a path to build dense experimentation environments. This approach is designed to attract international founders, researchers, and venture capital investors to local hubs.

"The aim is to operationalise existing national sector priorities under the Third National Development Strategy by introducing defined cluster governance, performance targets, and startup-specific specialisation pathways," stated the study jointly published by the International Finance Corporation (IFC) and the US-Qatar Business Council (USQBC) Doha.

The study underlines that operationalising existing priorities under the Third National Development Strategy relies on establishing targeted cluster governance, clear performance benchmarks, and startup-specific specialisation pathways.

In energy technology and industrial decarbonisation, Qatar's extensive liquefied natural gas, petrochemical, and downstream infrastructure provides an ideal testing ground for scaling low-carbon solutions. Key corporate and state anchors, including QatarEnergy and the Qatar Free Zones Authority, are positioned to drive structured technology-piloting mechanisms across these key downstream zones, it stated.

For aviation and logistics, the country's close integration of airport, seaport, and free zone infrastructure provides a distinct multimodal platform. The report singles out cold-chain operations and digital trade solutions as high-value niches, pointing to Qatar Airways Cargo and Mwani Qatar as central partners to scale these operations.

Agricultural technology presents another clear focus area, the study noted, citing that local climate constraints, limited arable land, and water scarcity continue to drive national demand for controlled-environment agriculture and precision irrigation systems. Entities such as Hassad Food, Baladna, and the Ministry of Municipality serve as essential anchors to create dedicated agtech innovation zones and commercial pathways, it stated.

To operationalise these specialised hubs effectively, the report recommends launching targeted technical challenges and corporate open innovation pilots before committing heavy capital infrastructure. Expanding the domestic fintech sandbox into a unified framework covering artificial intelligence, digital health, and green technologies would further accelerate commercialisation across these strategic sectors, it further pointed out.

# China defends economic model ahead of EU, US trade talks

**Reuters**
Singapore/Beijing

China is energetically defending its economic policy mix that favours advanced industries over consumption, adopting a posture analysts see as demonstrating increasing confidence ahead of looming trade talks with Europe and the US.

President Xi Jinping and US counterpart Donald Trump plan more face-to-face meetings this year, while Brussels has set an October deadline for Beijing to settle disputes as worries grow over China's trillion-dollar-plus trade surplus.

Western countries frame China's policies as mercantilist and opposing global trade rules, saying its priority for producers over households pushes cheaper goods into global markets, hollowing out industry in nations seeking more balanced growth.

But a meeting of top Communist Party leaders signalled policy continuity on Thursday, calling for targeted support rather than the consumer-focused stimulus and structural changes long urged by China's trading partners and many economists.

Days earlier, the commerce ministry accused the West of protectionism in a position paper on "so-called industrial overcapacity" that rejected the notion as rooted in "logical flaws" and "ulterior motives".

The ruling Communist Party's flagship theoretical journal, *Qiushi*, also defended China's low consumption in July, as a "historically justified" outcome of the investment-led, catch-up development model.

Such messages stop short of telling the West that China will not change course, said Xu Tianchen, a senior economist at the Economist Intelligence Unit, but send two posturing signals.

"The first is about hoping others understand where it comes from. A better mutual understanding helps in negotiations," Xu said. "The second is about drawing a red line."

The commerce ministry paper "made clear that China doesn't accept discriminatory measures against its firms and products," he added.

China says its model reflects the needs of a country still converging with advanced economies. Its products are not only cheaper, but increasingly better, while its tech and science investments can benefit the entire world.

This month, Premier Li Qiang countered warnings of a "China shock 2.0", or a scenario in which Chinese firms crowd out Western competitors in advanced manufacturing, portraying it as "China opportunity 2.0" for the global economy.

This is a "narrative that is falling flat in countries at the receiving end of those exports", said Eswar Prasad, a professor of trade policy at Cornell University and a former China director at the International Monetary Fund. "China's heavy dependence on exports to power its own growth in light of weak domestic demand is going to make it difficult to argue that Chinese exports are a gift to consumers worldwide."

Washington's effort to boost pressure on China through tariffs of more than 100% last year floundered as Beijing used its dominant position in production of rare earths, key for a wide range of global industries, to regain strategic ground.

Now the European Union, whose trade deficit with China averaged $1bn a day last year, is pursuing its own industrial and domestic procurement policies to defend its market.

This month, German Chancellor Friedrich Merz criticised Beijing for keeping its currency undervalued.

But the latest statements from China suggest Beijing's confidence is growing that it can soften trade disputes without making significant concessions.

"The US tariff episode appears to have supplied a template of managed engagement that Beijing is also applying to Europe -essentially buying time," said Alicia Garcia-Herrero, chief Asia-Pacific economist at Natixis. "Beijing's messaging on its economic model does come across as more confident and tightly framed than a year or two ago," she added.

To be sure, Beijing has slowed investment this year, primarily by tightening scrutiny on local government spending, which economists blame for driving overcapacity in manufacturing and infrastructure.

Officials publicly recognise a supply-demand "contradiction" and pledge to end deflationary price wars among producers battling for market share at the expense of profits.

They often promise to boost consumer demand, even without major structural reform plans.

"Historical justification does not mean long-term justification" of weak consumption, the *Qiushi* article said, adding that a change in the model was "necessary".

Analysts say this means China recognises imbalances but wants to move carefully, fearing disruptive changes.

But a growing body of international research warns Beijing's policies threaten both the global economy and its own.

For nearly 60% of Chinese firms, their "market share gains can be explained by subsidies received", the Organisation for Economic Cooperation and Development said in a recent report.

A Bank of Italy paper estimated that domestic factors, such as weak consumption and overcapacity, have driven about 75% of Chinese export growth.

A McKinsey Global Institute report said China is adding three times more productive assets each year than Europe and the US combined, while its capital returns are roughly 40% lower.

The Chinese national flag is seen in Beijing. China is energetically defending its economic policy mix that favours advanced industries over consumption, adopting a posture analysts see as demonstrating increasing confidence ahead of looming trade talks with Europe and the US.

### Central bank pledges timely policy tool adjustment

China's central bank pledged to adjust monetary policy tools in a timely manner and facilitate panda bond issuance, a statement showed on Sunday, reports Reuters.

The People's Bank of China (PBoC) will continue to implement an appropriately loose monetary policy and maintain ample liquidity, according to the readout of a work meeting on Saturday to map out the second half of the year.

The PBoC statement pledged to "steadily promote the high-level opening of the financial market... advance domestic and international infrastructure cooperation, and enrich liquidity management and risk hedging tools." It would "continue to financially support debt risk resolution of local government financing vehicles, and promote their market-oriented transformation," it added.

As well as supporting more overseas institutions issuing yuan-denominated bonds, known as panda bonds, the central bank would help Shanghai enhance cross-border finance and offshore financial services, and consolidate Hong Kong's position as an offshore yuan hub, the statement said.

# Kuwait said to raise crude oil output to near 2mn bpd in July

**Reuters**
London

Kuwait raised its average crude oil output in July to 1.971mn barrels per day from about 1.65mn in June, a source familiar with the matter told Reuters.

The source asked not to be named since they were not authorised to speak on the subject.

The rise in Kuwaiti output suggests that Gulf oil flows through the Strait of Hormuz are holding up despite disruptions caused by the escalation of the Iran war. In recent months, Gulf oil producers have exported crude through the strait on tankers with their AIS signals switched off to avoid detection and potential targeting by Iran.

A spokesperson for state oil company Kuwait Petroleum Corp did not immediately reply to a Reuters request for comment.

Kuwaiti oil output stood at just 580,000 bpd in May, compared with 2.5mn bpd before Iran effectively closed the strait in late February, triggering output cuts of millions of barrels per day across the Gulf.

The Shuaiba oil refinery south of Kuwait City (file). Kuwaiti oil output stood at just 580,000 bpd in May, compared with 2.5mn bpd before Iran effectively closed the Strait of Hormuz in late February.

# Saudi Aramco and Sonatrach raise LPG prices for August

**Reuters**
Moscow

Saudi Arabia's state oil producer Saudi Aramco has raised official selling prices for liquefied petroleum gas by between 6% and 7% for August due to higher demand on the global markets, traders said on Friday.

Algeria's Sonatrach lifted LPG prices for August by between 19% and 23%, the traders said.

Saudi Aramco's August OSPs increased by $40 per metric tonnes to $620 a tonne for propane and by $40 a tonne to $640 per tonne for butane.

Propane and butane are types of LPG with different boiling points. LPG is mainly used as fuel for cars, heating and as a feedstock for other petrochemicals.

Sonatrach increased its August propane OSP by $100 a tonne to $540 and for butane by $90 a tonne.

Saudi Aramco's OSPs are used as a reference for contracts to supply LPG from the Middle East to the Asia-Pacific region.

Sonatrach's OSPs are used as benchmarks for the Mediterranean and Black Sea region, including Turkiye.

# Europe's shrinking rivers curb power output, transport and company earnings

**Reuters**
Paris/Belgrade/Bucharest

Record low water levels in Europe's major rivers have curtailed the transport of goods, reduced electricity output and shrunk company earnings, stoking fears about the economic impact of searing heat and erratic rainfall. As Europe experiences the fastest warming of any continent and record-breaking heatwaves, drought has exposed the need to reconsider business practices.

From the bustling port of Rotterdam to hydropower plants in Serbia, waterways have become a less reliable way to transport goods such as grains and oil, or to produce much-needed electricity when millions are seeking to cool their homes.

"It's affecting not one region like we've seen in the past, but the whole European landscape," said Alessandro Armenia, a power analyst at commodities data and analytics firm Kpler. "Given the current dynamics, it means either we're going to see blackouts or we need to invest way more."

Production of nuclear power in Hungary and hydropower in Serbia have fallen because of record low water levels along the Danube, which passes through major cities like Vienna, Budapest and Belgrade on its route from Germany to the Black Sea. The Paks nuclear power plant, which generates nearly half of Hungary's electricity, will be shut down on Monday, possibly for weeks because water levels on the river, which supplies cooling water to the facility, are expected to stay too low for it to operate safely.

At Djerdap 1, Serbia's largest hydropower plant, output has fallen to 20% of capacity, the plant's production director Davor Maljokovic told Reuters, as the once broad shipping channel beside it has shrunk to expose sandbanks and gravel bars.

The lack of water has also disrupted cooling systems at Serbia's Kostolac coal-fired power plants, forcing them to cut output, Serbia's state EPS power utility said.

Both Serbia and Hungary say they will make up for the losses by importing electricity, a costly measure when demand on the spot market is high. Romania's state nuclear power producer Nuclearelectrica also had to shut one of its two reactors earlier this week for the same reason, with the second expected to soon follow, potentially depriving the country of a fifth of its electricity needs. France has also had to reduce nuclear power generation because of low water levels or rising river temperatures.

Energy is not the only loser.

Cezar Gheorghe of Romanian grain market consultancy AGRIColumn told Reuters on Friday farmers along the Danube were having problems shipping their crops because low water levels stopped barges from using several river ports.

"Only the ports which are closer to the Black Sea are still operational. Barges can't go through the others," Gheorghe said.

"Crops buyers could offer farmers lower prices and load them in trucks, although there might also be a shortage of trucks."

Meanwhile, the volume of cargo transported to and from Rotterdam — Europe's largest sea port — to the Rhine has fallen slightly each week since the beginning of July and is around 10% lower than normal, a port spokesperson told Reuters.

Chemical and oil product tankers and dry bulk carriers are particularly affected because of their normally greater draught compared to container barges, which means they sit deeper in the water and require greater water depths.

Apart from the natural devastation of wildfires and temperatures that have caused thousands of excess deaths, companies' balance sheets have suffered from the changing climate.

Austrian utility Verbund, which produced about 85% of its electricity from hydropower last year, said on Thursday that drought conditions reduced earnings by about €370mn in the first half compared with a year of normal hydrological conditions. French state-owned utility EDF said on Friday that full-year earnings before interest, tax, depreciation and amortisation for 2026 were expected to fall by 10% because of low market prices and as heatwaves reduced power output.

The Paks Nuclear Power Plant's water intake structure and cold-water canal working with water from the river Danube is pictured near Paks. Record low water levels in Europe's major rivers have curtailed the transport of goods, reduced electricity output and shrunk company earnings, stoking fears about the economic impact of searing heat and erratic rainfall.

# Japan to announce Tokyo and US took joint action on yen

**Finance minister to stress Japan-US resolve to combat yen falls; announcement to follow rounds of yen-buying intervention; rare MOF post in English signals resolve to keep up yen battle; minister vows enhanced government communication with markets**

**Reuters**
Tokyo

Japanese Finance Minister Satsuki Katayama will announce today that Tokyo and Washington took joint action in the currency market to arrest the yen's slide to 40-year lows, two Japanese government officials told Reuters.

Katayama is likely to stress the two countries' determination to combat what they consider excessive yen declines, said the sources familiar with the matter, on condition of anonymity due to the sensitivity of the issue.

One source, asked if Katayama would announce "joint action", said yes, adding, "The operation is still ongoing."

The Ministry of Finance could not immediately be reached for comment on Sunday. US Treasury Department officials did not immediately respond to requests for comment.

The expected announcement follows what market sources say were rounds of yen-buying in the market by the Japanese and US authorities, the first joint intervention since 2011, seeking to boost the Japanese currency from its lowest levels against the dollar since 1986.

The Japanese government bought yen for dollars in New York trading hours on Thursday, a market source told Reuters, with Bank of Japan data suggesting it sold as much as $58.97bn to support the yen.

Tokyo's initial intervention came hours before the BoJ decided on Friday to keep monetary policy steady while signalling a strong chance it would raise interest rates soon.

A widening rate differential with the US, where the Federal Reserve has dramatically shifted to a more hawkish stance, has been a key factor in the dollar's rise against the yen.

Shortly after BoJ Governor Kazuo Ueda held a press conference on the central bank's decision, the yen spiked in what markets suspect may have been another bout of yen-buying intervention by Tokyo. "Going forward, as the official responsible for currency policy, I would like to respond in close co-ordination with monetary policy," Katayama's top currency diplomat, Atsushi Mimura, told reporters after the yen's spike on Friday, suggesting the MoF and BoJ were working hand in hand to combat the weak yen.

Japanese Finance Minister Satsuki Katayama.

Also on Friday, the US Treasury informed a number of banks that it might intervene in the yen market and that they should "stand ready for future action", a source familiar with the matter told Reuters.

Treasury Secretary Scott Bessent, who said last week the yen "seems very undervalued to me", had a notepad at a Friday cabinet meeting with the words "To Do", followed by "Buy Japanese Yen (JPY) $5-10 bill", a Reuters photo showed.

In another sign of bilateral coordination, the MoF made a rare post in English on X that it had "a broad range of tools to address market liquidity needs", including access to the Fed's repurchase facility providing temporary dollar liquidity.

The Fed facility, introduced in 2020 to steady markets during the Covid-19 pandemic, allows Japan to raise dollar liquidity without outright sales of US Treasuries, potentially easing funding pressures on Tokyo for intervention.

Critics have said Japan could face constraints to continued yen-buying intervention, as selling down its huge Treasury holdings to fund such action could trigger a selloff in US debt and cause an unwelcome spike in US yields.

Some analysts saw the signs of Japan-US co-operation as driven by Washington's concern over rising Treasury yields, which could worsen if Tokyo failed to prevent a selloff in the yen and Japanese government bonds.

"Both the US and Japan face risks of inflation turning hot and leaving their central banks behind the curve," former BoJ official Nobuyasu Atago told Reuters. "They see merits in cooperating."

Highlighting Japan's concern over rising JGB yields, Economy Minister Minoru Kiuchi said on Sunday the government will step up efforts to enhance communication with markets.

"It's very important to maintain market trust in Japan's fiscal sustainability," Kiuchi, known as a fan of expansionary fiscal and monetary policy, told a television talk programme.

# Opec+ agrees to boost oil output by 188,000 barrels per day from September

**AFP**
London

Saudi Arabia, Russia and five other key members of Opec+ agreed in an online meeting Sunday to boost oil production by 188,000 barrels a day from September, against a backdrop of disruption caused by the Mideast war.

"The seven participating countries decided to implement a production adjustment of 188 thousand barrels per day," they said in a joint statement.

The increase, decided by the key countries in the enlarged Organisation of the Petroleum Exporting Countries, was widely expected by analysts.

"Opec+ has finished unwinding its voluntary cuts. The next challenge is managing the surplus that could emerge as export flows normalise," said Jorge Leon, analyst at Rystad Energy.

He warned, however, that "today's decision changes little in the near term because (the Strait of) Hormuz remains constrained. The real market impact will come when normal export flows resume."

The Gulf countries have struggled to increase exports due to the near-paralysis of the Strait of Hormuz orchestrated by Iran during the war in the Middle East — despite a brief upswing in shipping traffic after a US-Iran memorandum of understanding was signed in June.

Many Opec+ members cannot produce as much oil as their official targets allow due to a "decline in production capacity", so increasing targets has become less meaningful, said Giovanni Staunovo, an analyst at UBS.

**The September increase, agreed by Opec+ countries Saudi Arabia, Russia, Iraq, Kuwait, Kazakhstan, Algeria, and Oman, completes the unwinding of the second of the three production-cut packages introduced by the organisation**

The September increase, agreed by Opec+ countries Saudi Arabia, Russia, Iraq, Kuwait, Kazakhstan, Algeria, and Oman, completes the unwinding of the second of the three production-cut packages introduced by organisation.

"Having completed the restoration campaign, Opec+ has little incentive to rush into further supply changes. Our base case is a fourth-quarter pause while the group prepares for the 2027 quota negotiations," said Rystad Energy's Leon.

"For now, geopolitics is masking the scale of the supply increase. That will become much clearer once export flows normalise," he said.

It remains unclear when the group will actually be able to increase its oil volumes. Some member countries, such as Iraq, have expressed a desire to significantly boost production.

Russia, though, is confronted with repeated Ukrainian drone attacks on its oil infrastructure that have crimped production, currently hovering around 9mn barrels per day — compared with a target of 9.8mn barrels per day.

Opec+ "faces potentially difficult talks over new production quotas" starting next year following the September increase, according to analysts at DNB Carnegie.

Between late 2022 and 2023, Opec+ became concerned that oil prices were falling, and agreed to cut oil production in three separate rounds, reducing total output by nearly 6mn barrels per day.

## Italy's Banco BPM says terminated merger talks with Banca Monte dei Paschi

Italy's Banco BPM said on Friday its board had decided to halt discussions with Banca Monte dei Paschi di Siena over a possible merger, two months after it first approached them, reports AFP.

"The conditions have not yet materialised to reach a mutually agreed solution between the parties," said BPM in a statement, adding that its board had unanimously decided to terminate the talks.

Monte dei Paschi, the world's oldest bank still in operation, is now Italy's third-largest bank, following its purchase last year of Mediobanca. Banco BPM approached its larger rival in June, proposing the creation of "a new national champion, the second largest domestic banking operator", which it said would be worth more than 50bn euros.

It provided no precise details on how the deal would be structured.

Intesa Sanpaolo launched a rival, hostile bid for MPS just one day after BPM's, kicking off a new round of consolidation in the sector.

# Baltics transform from Soviet stagnation to startup hubs

**AFP**
Vilnius

Stepping into the newly-renovated Vilnius airport, visitors are greeted with a slew of billboards advertising products "Made in Lithuania", including cybersecurity giant NordVPN.

Rather than focusing on heritage or artisanal craftsmanship promoted in similar campaigns in Italy or France, Lithuania and its Baltic neighbours Estonia and Latvia are highlighting they are home to innovation.

The three countries have a growing number of startups recognised worldwide, such as online reselling platform Vinted, rideshare service Bolt and videotelephony pioneer Skype.

Despite a total population of just over 6mn people, the Baltic states possessed around 33,000 startups last year, according to data from Lursoft IT, a Latvian company specialising in business and financial databases.

They raised 20 percent more in funding in 2025 at 607mn euros ($700mn), according to Practica Capital and Firstpick's annual report on the sector.

The Baltic states now have 17 "unicorns" -- startups with a valuation above $1.0bn.

Fewer than four decades ago Estonia, Latvia and Lithuania regained their independence but inherited inefficient factories from the Soviet Union's command economy.

"Regaining independence… unlocked the entrepreneurial spirit previously suppressed under Soviet rule," said Latvian-American entrepreneur Girts Graudins, who noted that the region has a history as a science and manufacturing hub going back to the turn of the 20th century.

The ruins of the Soviet command economy were also a crucible for innovation, said Kadri Ukrainski, who lectures on the subject at Estonia's Tartu University.

"Coming from (the) Soviet times, we didn't have very good telephone systems," she said, leading to the creation of Skype -- Estonia's first, and arguably its most famous, unicorn.

The app helped the once-behind country leap forward, she argued, "helping us to solve this very backward communication system".

Founded in 2003 by a couple of Scandinavian entrepreneurs along with four Estonian developers, Skype had 50mn registered users worldwide by 2005, when it was sold to online auction site eBay for approximately $2.6bn. European Union accession in 2004 also brought the Baltic states access to European markets.

Estonia, with a population of 1.3mn, now has 10 active unicorns -- the most per capita in Europe.

Although Skype is now defunct -- retired last year by Microsoft which bought the app in 2011, its legacy as the first Baltic unicorn can still be felt across the region.

Known as the "Skype mafia" effect, founders and early employees took the experience they gained from the company and went on to start their own companies, inspiring others to do the same. Lithuania's first unicorn, second-hand clothing platform Vinted, has had a similar impact.

**Despite a total population of just over 6mn people, the Baltic states possessed around 33,000 startups last year, according to data from Lursoft IT, a Latvian company specialising in business and financial databases**

"Vinted's journey has certainly been intertwined with the broader development of Lithuania's startup ecosystem," said the company's vice president for corporate affairs, Jessie de la Merced, arguing that its presence has had a "multiplier effect".

Vinted, which became a unicorn in 2019, reached $8bn in market valuation in April, and Lithuania now boasts a total of six unicorns.

Unicorns' effects can also be felt across the local economy, said Karolina Urbonaite, the head of Startup Lithuania, a government institution which supports the country's startup ecosystem.

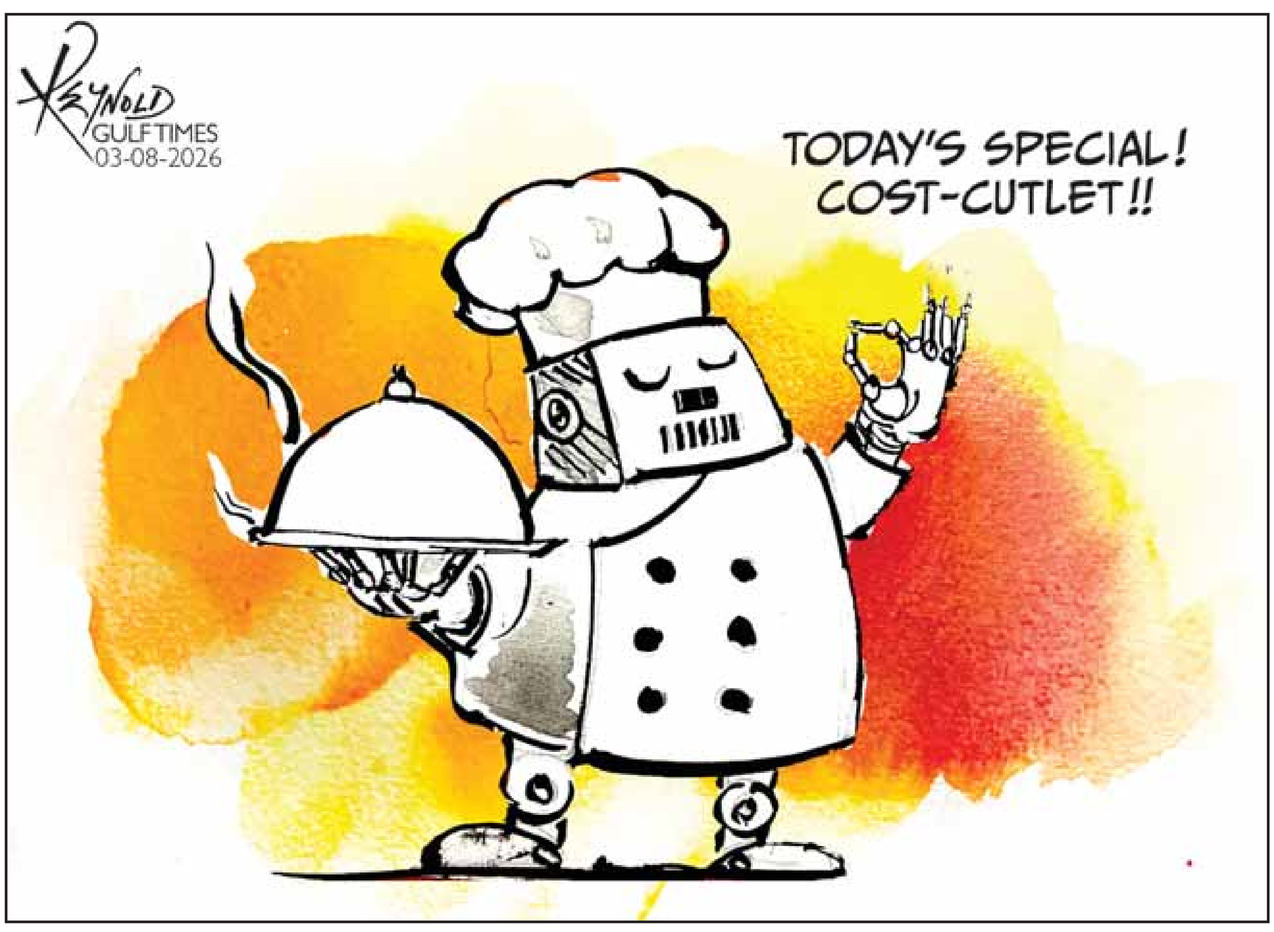
"Our startups pay a lot of taxes. They create new jobs," she said, adding that Lithuanian startups employed over 20,000 people in total, paying high salaries and attracting foreign investment to the country.

A heavy focus on STEM education (Science Technology Engineering and Mathematics) in the Baltics is also helping forge the next generation of fintech entrepreneurs.

Baltic STEM students rank higher than those from France, Sweden, the United States and Norway in the OECD's latest Programme for International Student Assessment (PISA).

There has also been a change of aspirations. "Before, the role models were artists and musicians," said Ronny Eriksson, founder of entrepreneurship studio New Nordic Way in Finland.

"But now it's actually startup people and you want to become those when you grow up".




# Global equity fund inflows surge to three-week highs

**Reuters**
London

Global equity fund inflows rose to their highest in three weeks during the week to July 29, as investors snapped up technology sector funds during a market downturn, anticipating that the AI-driven advance has further to go.

Investors bought global equity funds worth a net $27.21bn in their largest weekly net purchase since July 8, LSEG Lipper data showed. Technology shares came under pressure after Alphabet and Tesla reported negative cash flows last week.

However, global stocks rose about 1.5% on Thursday, after strong results from Microsoft and Amazon eased investor concerns about heavy capital spending across the sector.

Investors poured $11.83bn into US equity funds during the week, reversing combined outflows of $10.68bn over the previous two weeks.

European and Asian equity funds also attracted $7.79bn and $5.37bn, respectively in net inflows.

Investors poured $5.67bn into technology-sector funds for their largest weekly net purchase since July 8. They also bought $2.1bn in financial-sector funds and $766mn in consumer staples funds.

Inflows in global bond funds cooled to a 17-week low of $6.16bn during the week. High-yield bond funds saw outflows of $789mn, broadly reversing the $815mn in net purchases of the previous week.

Net weekly investments in government bond funds and short-term bond funds also slowed to $1.99bn and $478mn, respectively, from $3.13bn and $1.74bn the prior week.

Money market funds stayed out of favour for a third consecutive week, posting net outflows of $6.55bn.

Gold and other precious-metals funds attracted net inflows of $281mn, extending their winning streak to three weeks.

In emerging markets, investors added $1.75bn to equity funds for a third straight week but withdrew roughly $800mn from bond funds, according to data covering 28,913 funds.