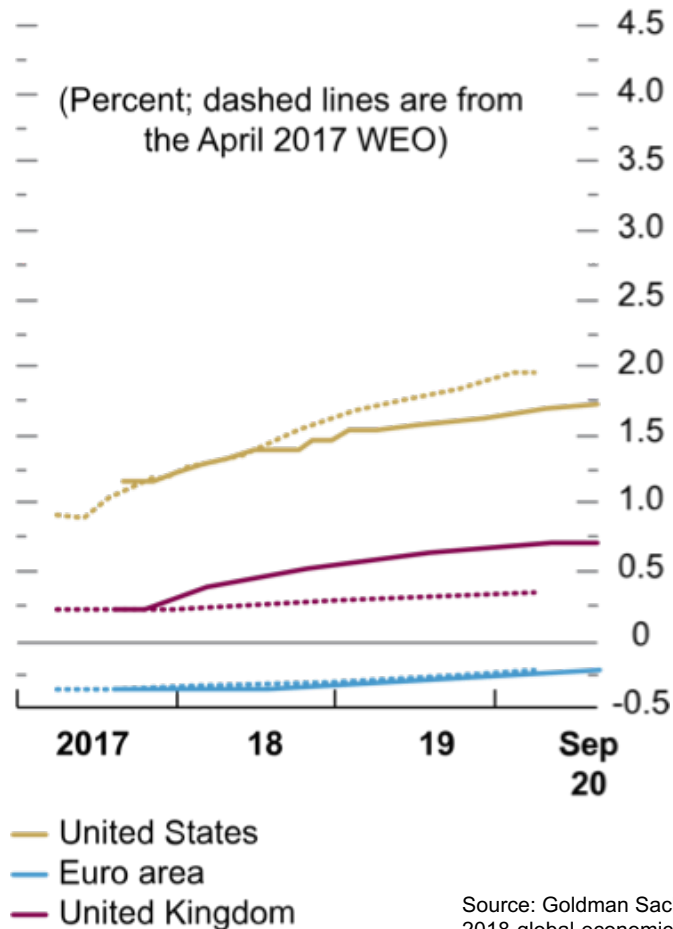


# MENA BUSINESS OUTLOOK

A region in transition

## Interest Rate Convergence

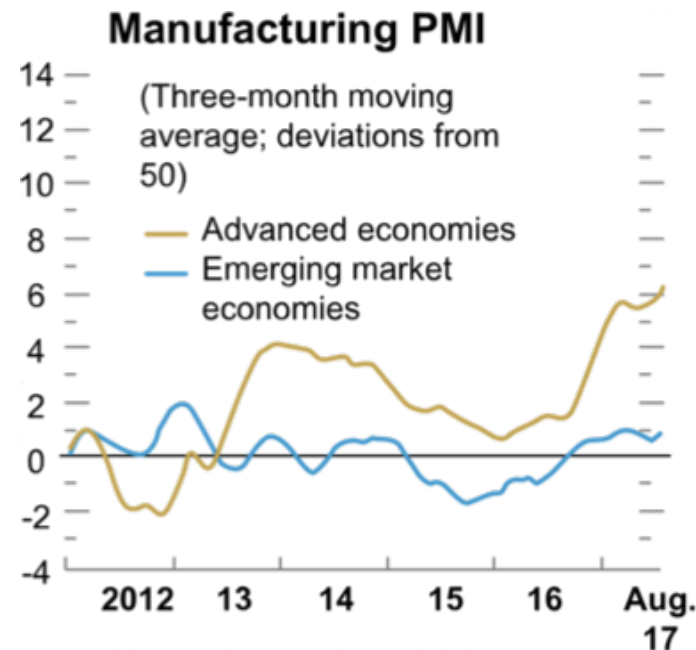
### Policy Rate Expectations



Source: Goldman Sachs, 2018-global-economic-outlook

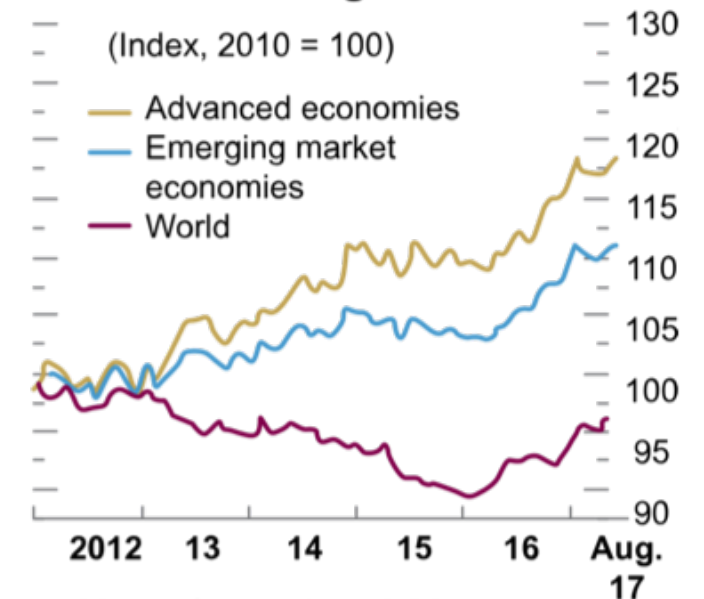
Geopolitical	Economic
1. Global terrorism	1. Global Growth
2. US-JCPOA	2. US interest rates
3. US	3. Dollar fluctuations

## Global Growth is Improving



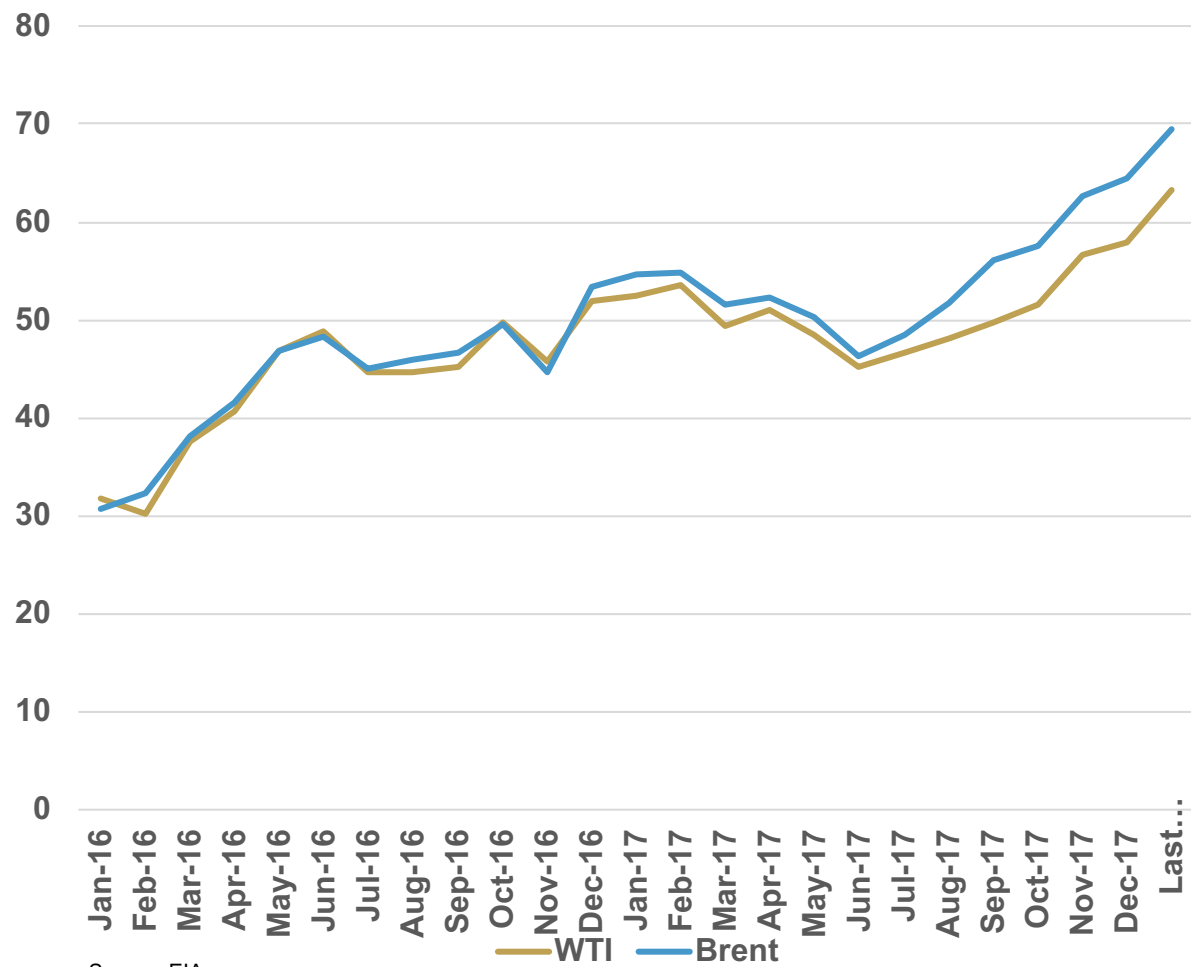
Source: Goldman Sachs, 2018-global-economic-outlook

### Manufacturing PMI



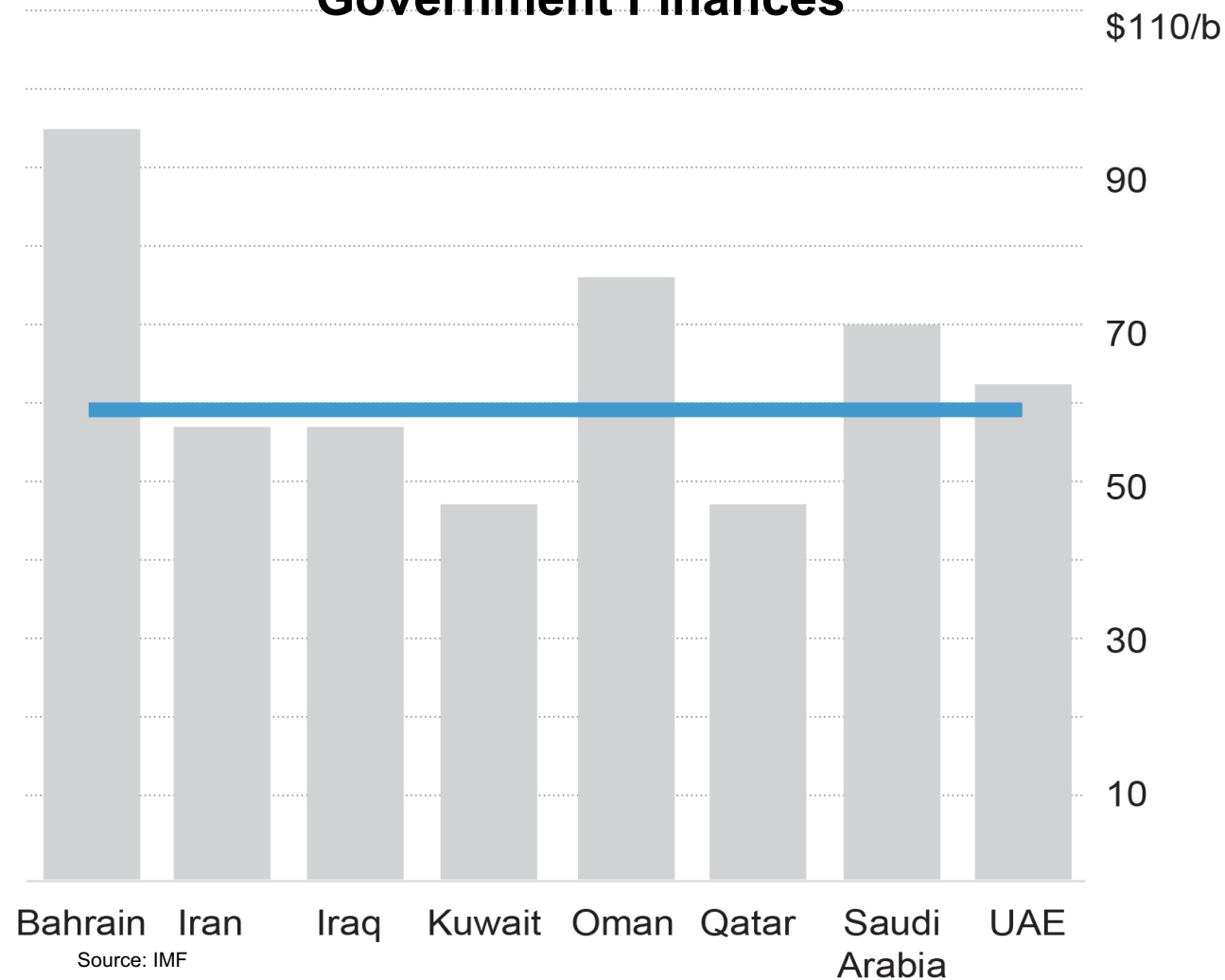
Source: Goldman Sachs, 2018-global-economic-outlook

## Rising Oil prices



Source: EIA

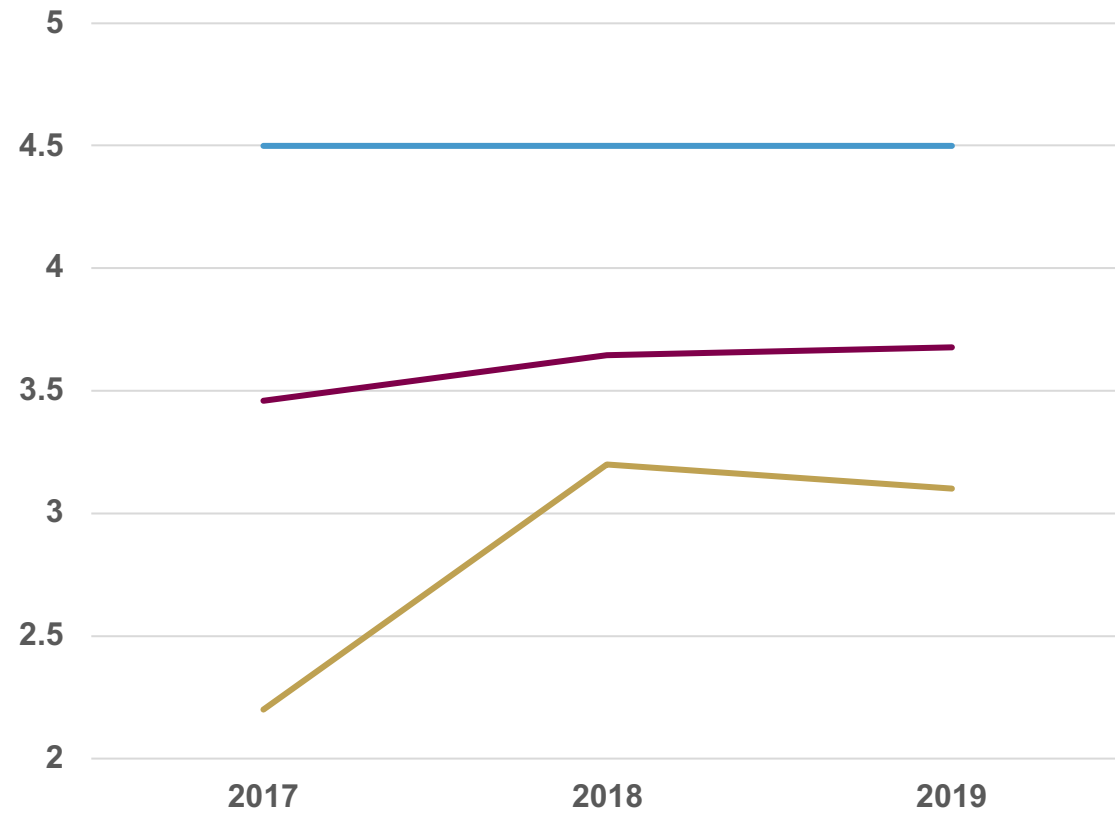
## Government Finances



Source: IMF

■ 2018 break-even levels ■ Average of Brent forwards for 2018

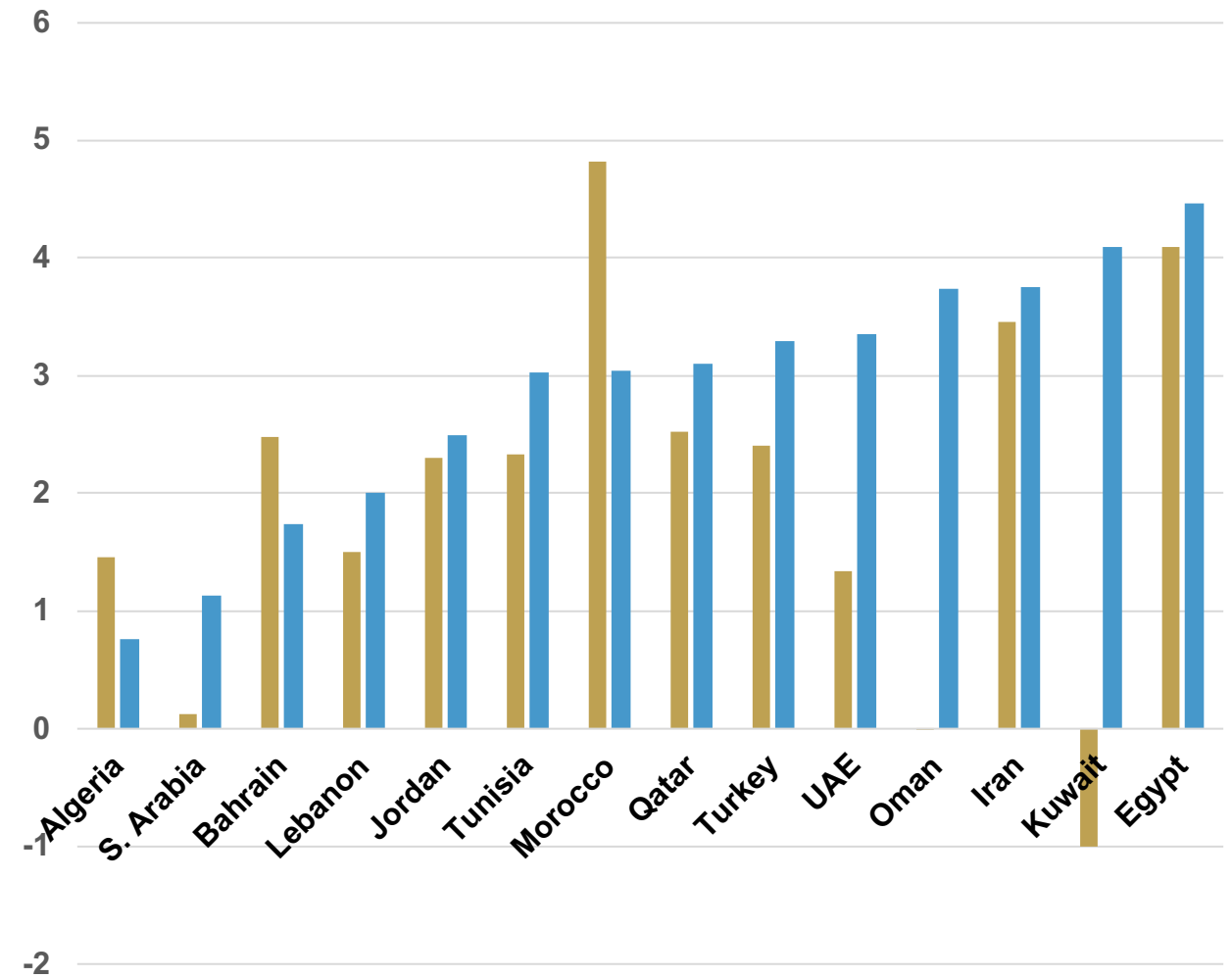
## MENA GDP Growth 2017-2020



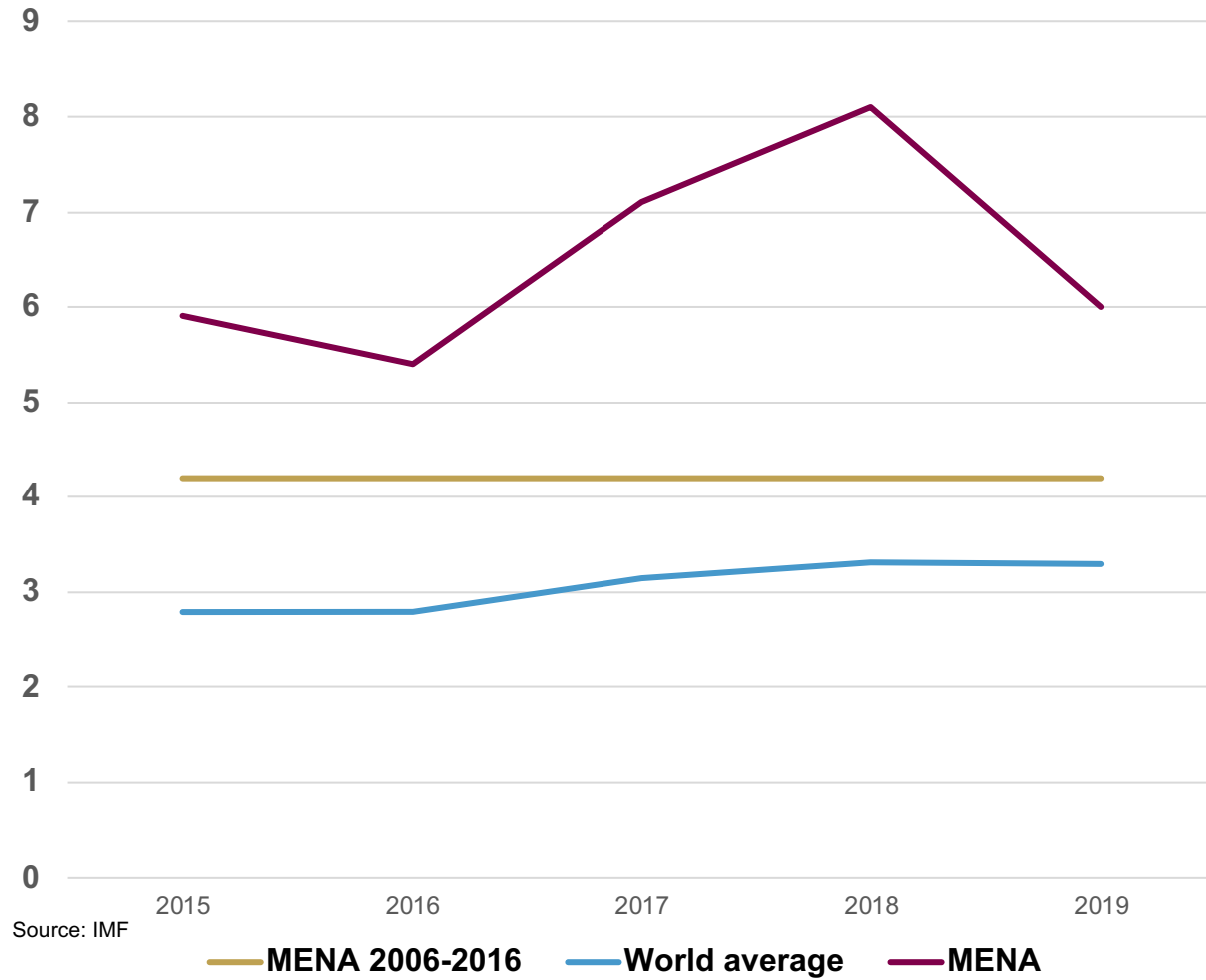
Source: IMF

- MENA GDP growth
- 2006 - 2016 growth average
- World Average

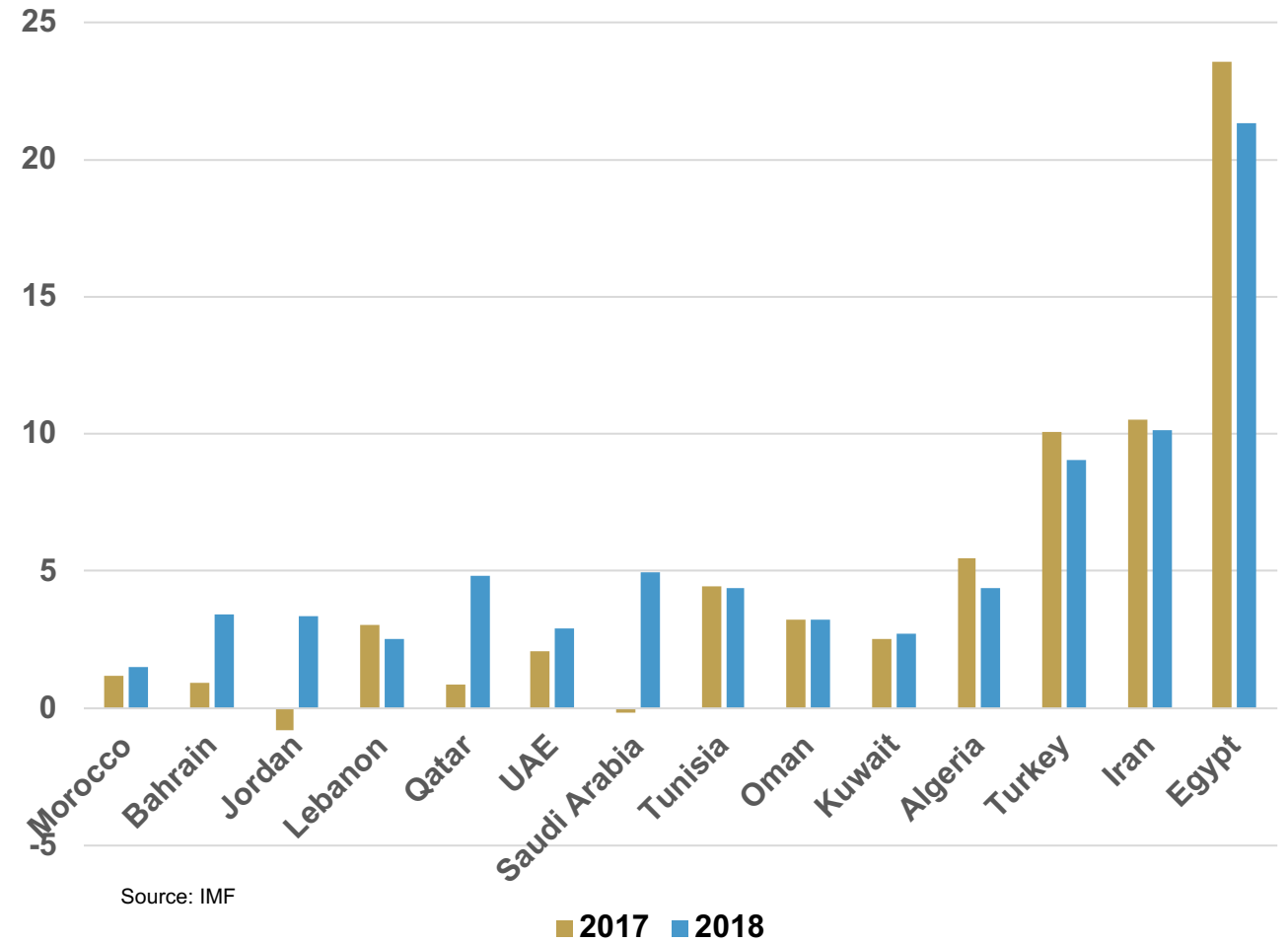
## MENA GDP Growth 2017 vs 2018



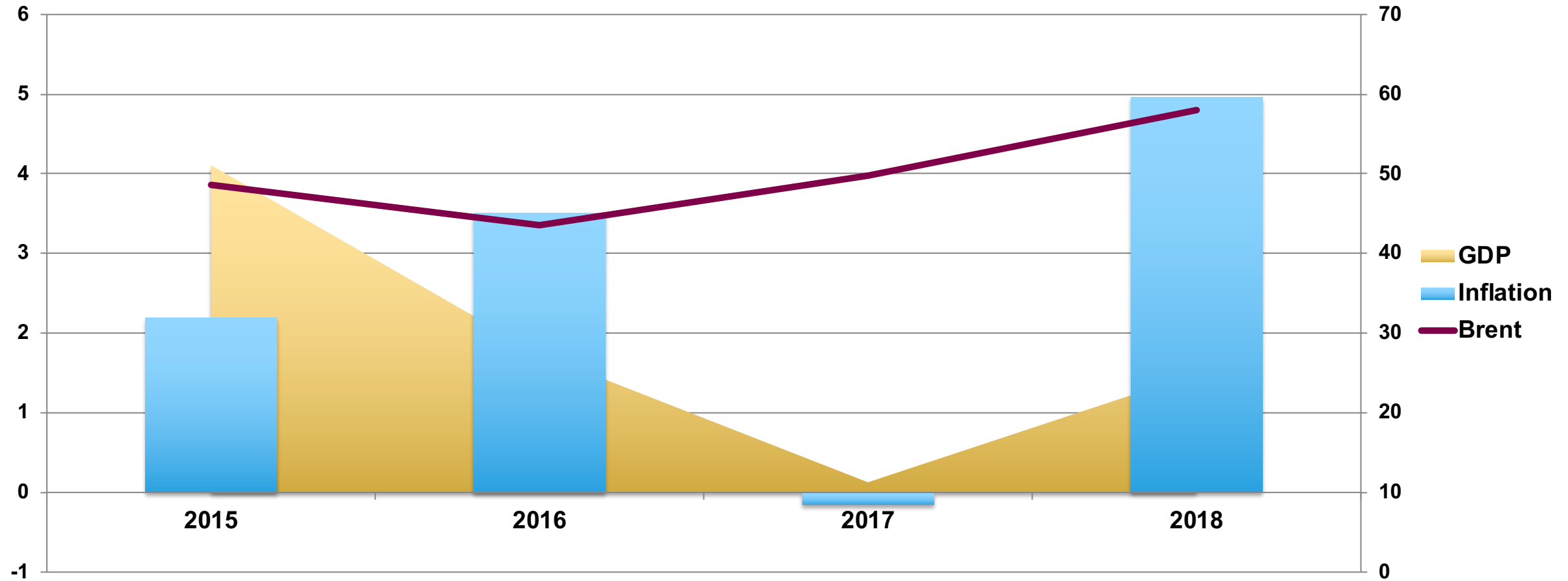
## MENA Inflation 2015-2020



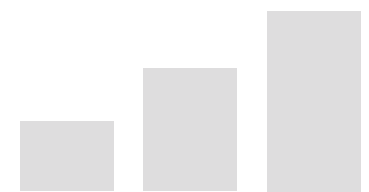
## MENA Inflation 2017 vs 2018



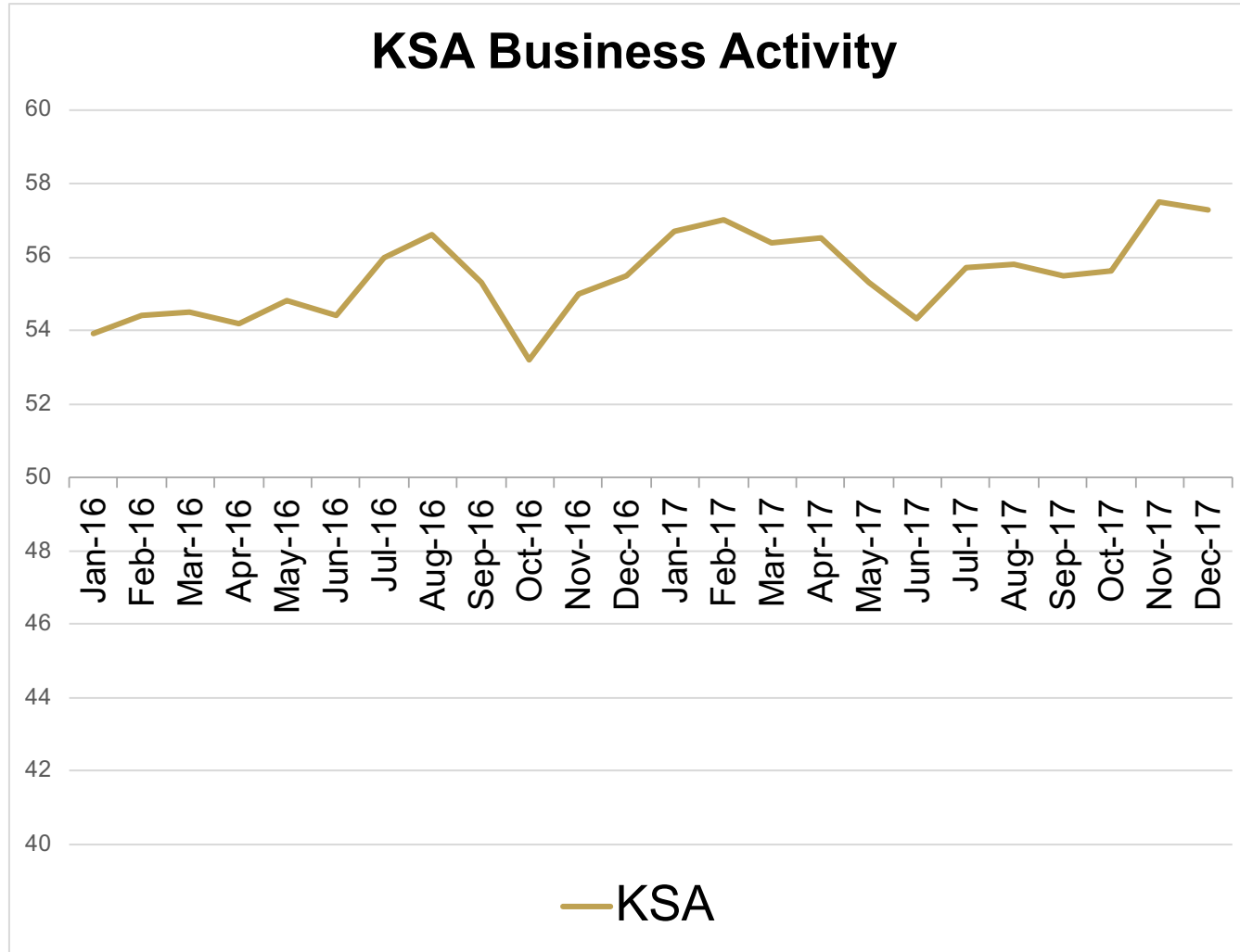
KSA 2018 Outlook



Source: IMF

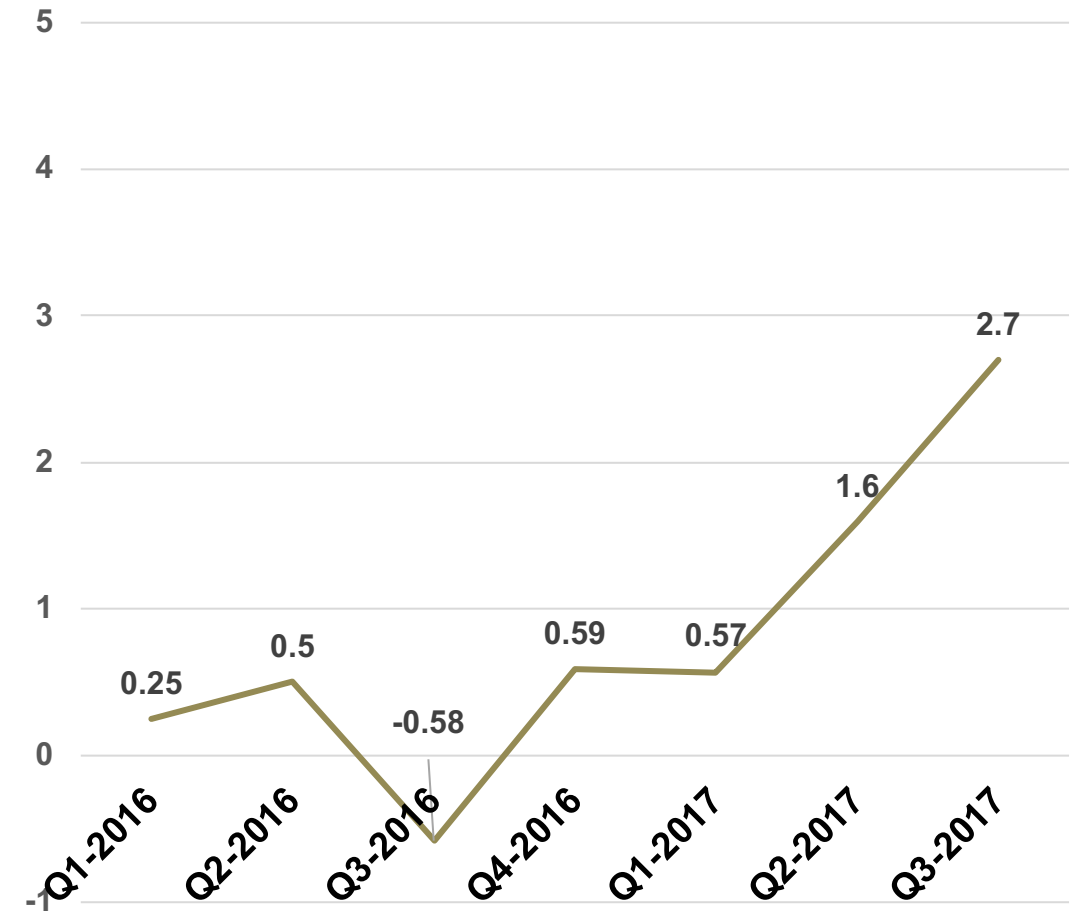


## KSA Business Activity

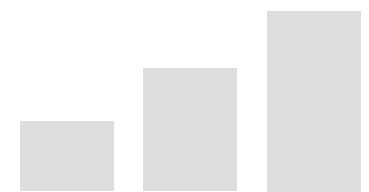


Source: Markit

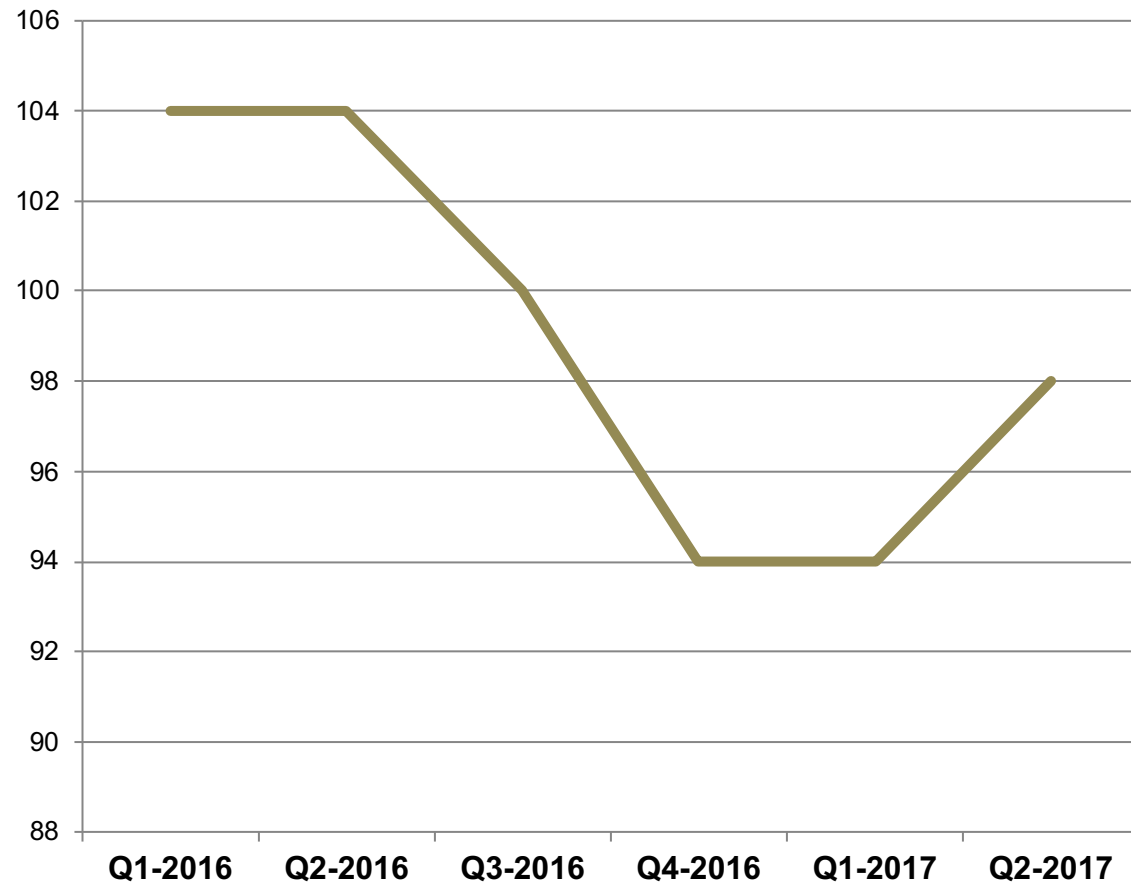
## KSA Non-oil Growth



Source: Central Department of Statistics & Information

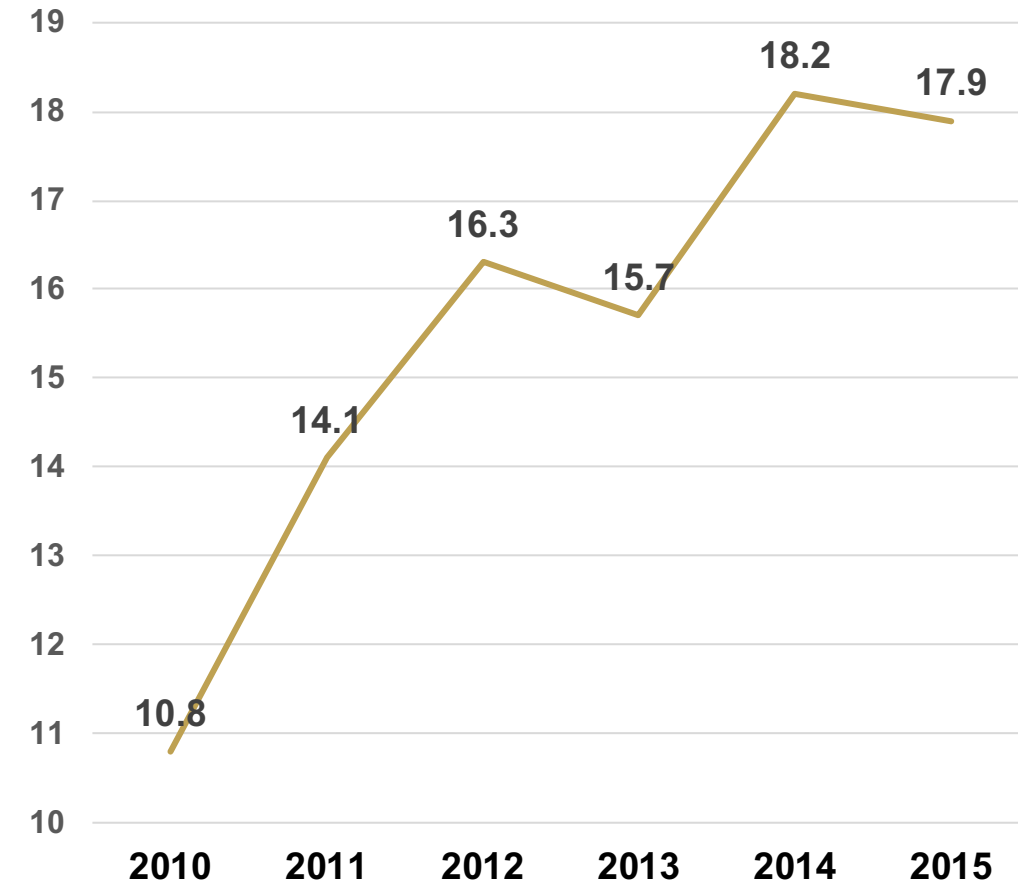


## KSA: Consumer confidence



Source: Nielsen

## Tourist Arrivals (millions)

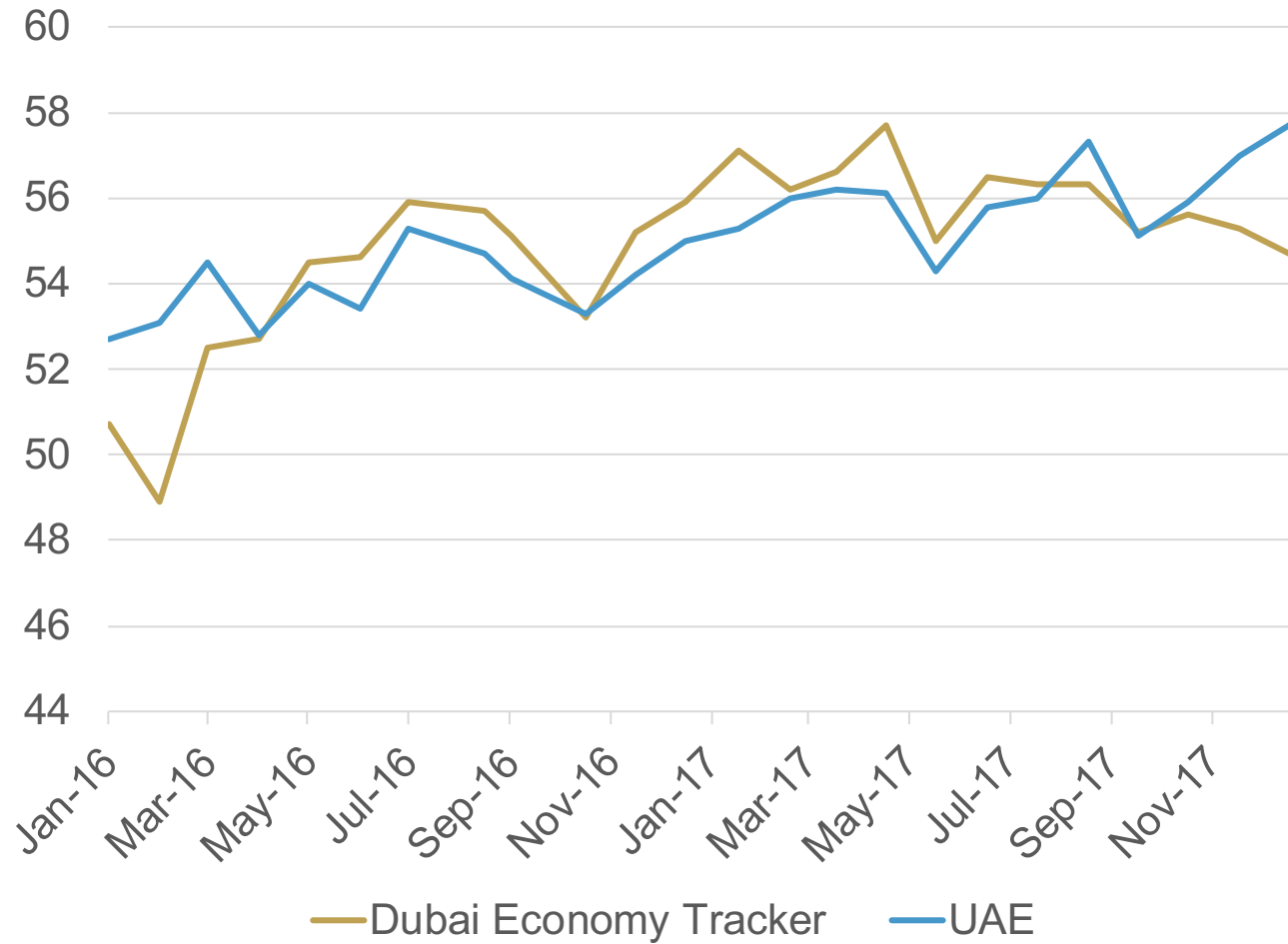


Source: SESRIC





## Business Activity



### As we leave 2017...

1. Increase in input costs
2. Decline in output prices
3. UAE growth relative to GCC

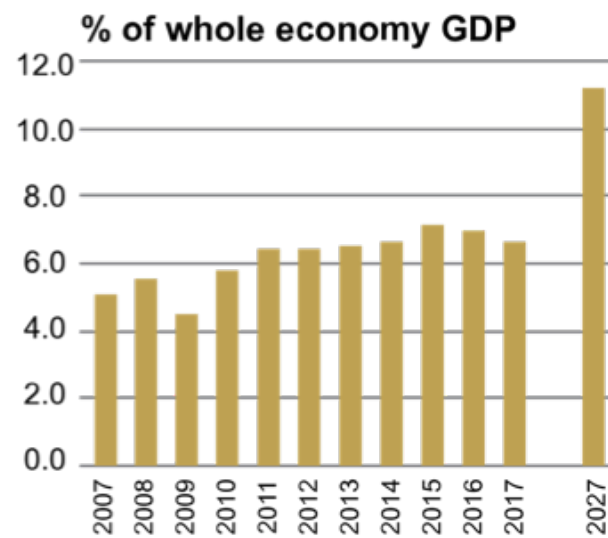
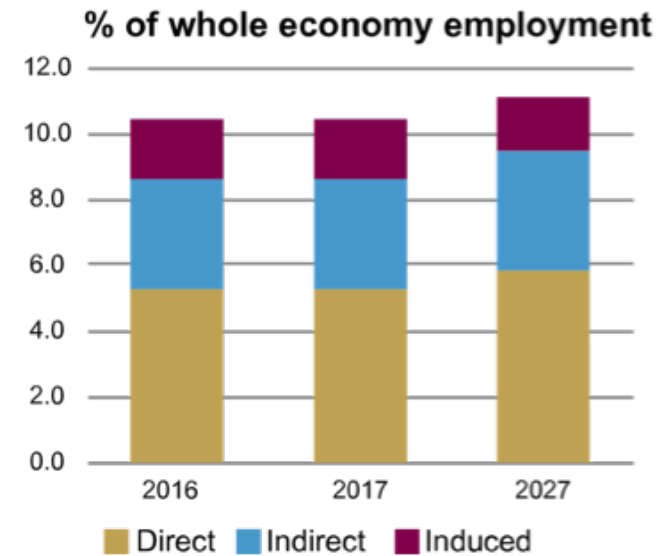
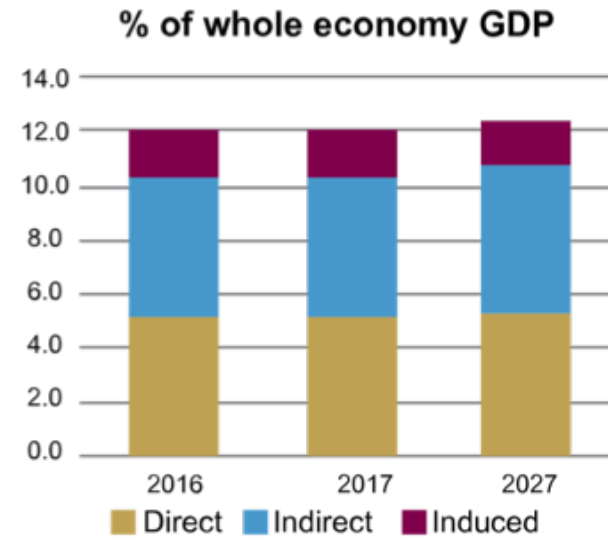
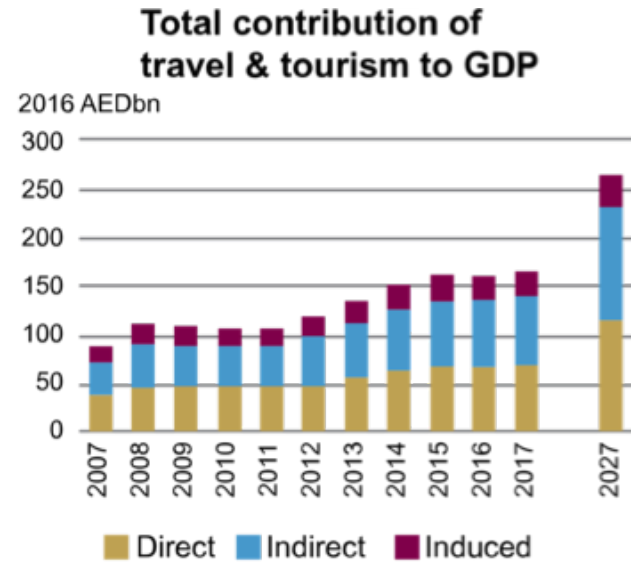
### ... and look forward to 2018

1. Stronger public sector spending
2. Government revenue diversification
3. Pick up in credit growth

Source: Emirates NBD Research



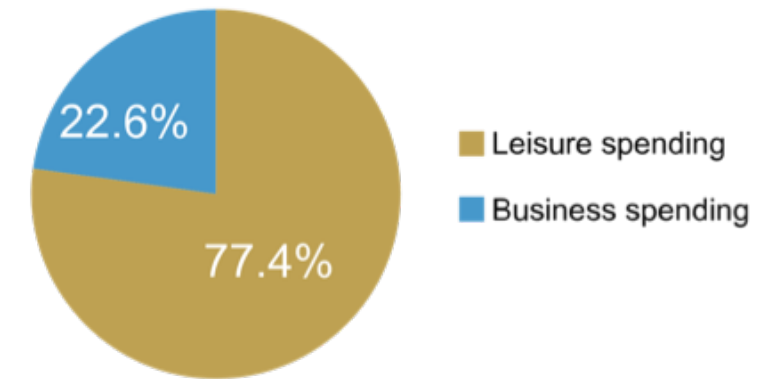
## Total contribution of travel and tourism to the economy



## Source of consumption?

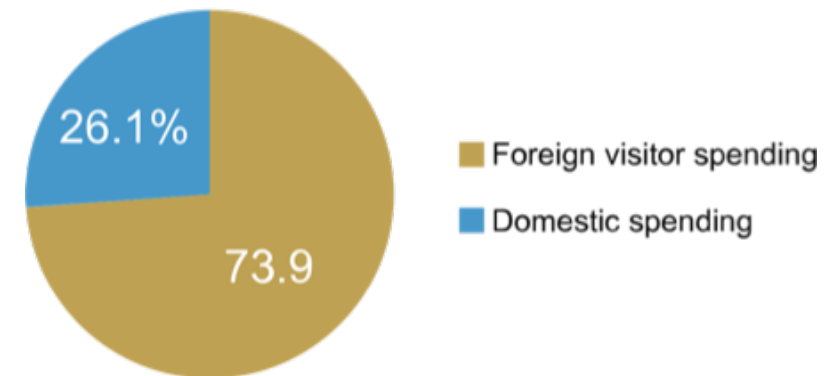
### UNITED ARAB EMIRATES

Total contribution of travel & tourism to GDP:  
Business vs leisure, 2016



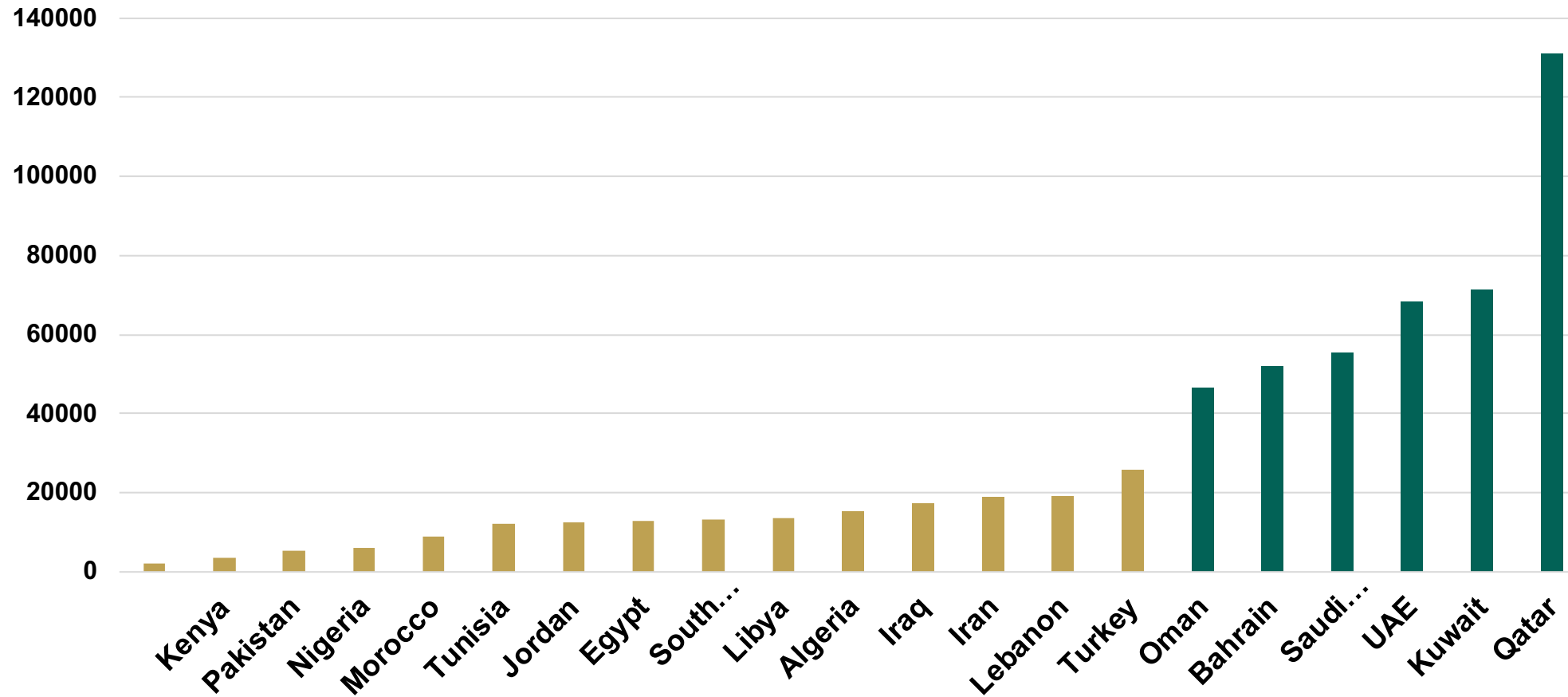
### UNITED ARAB EMIRATES

Travel & tourism's contribution to GDP:  
Business vs leisure, 2016



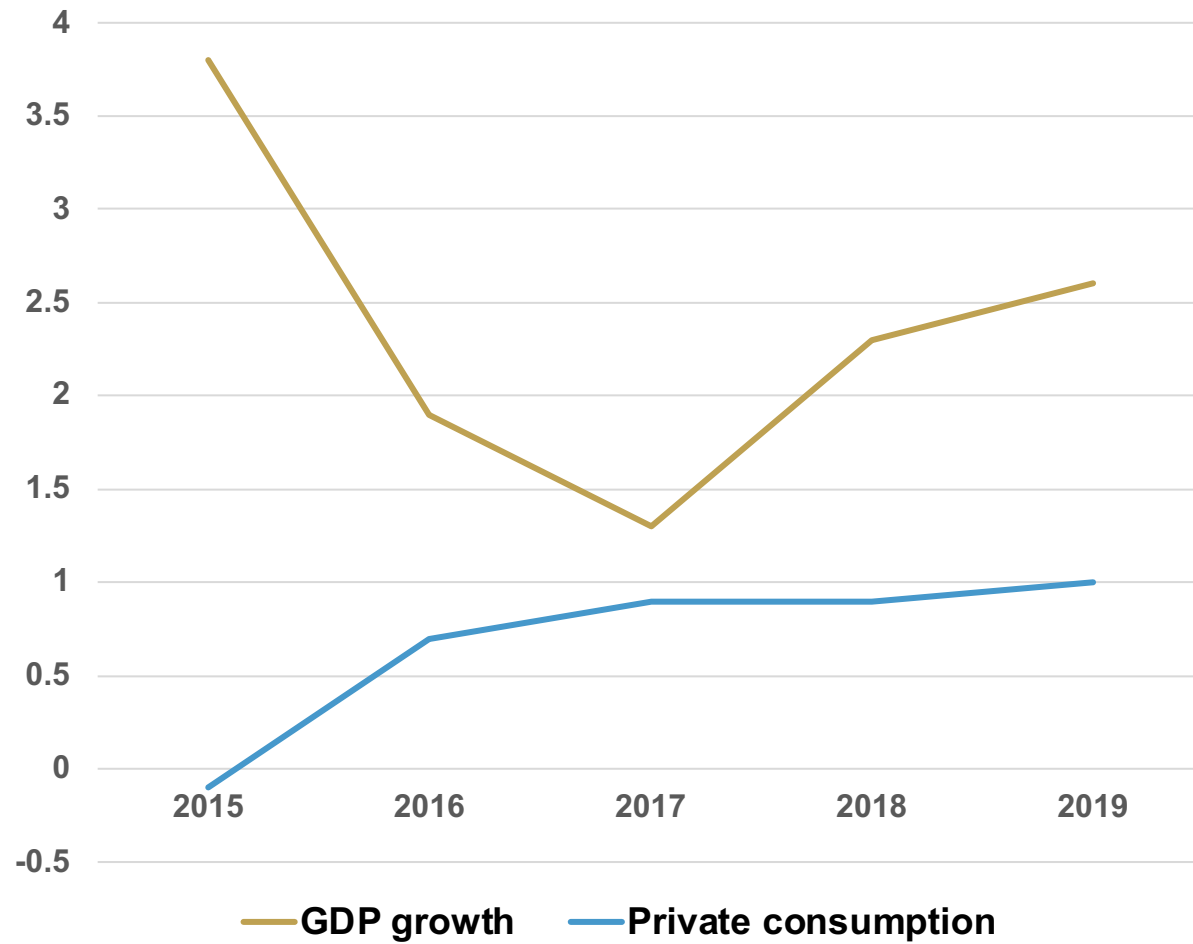
Source: World Travel & Tourism Council, Travel & Tourism Economic Impact 2017, United Arab Emirates

## GDP Per Capita 2017 (\$USD)



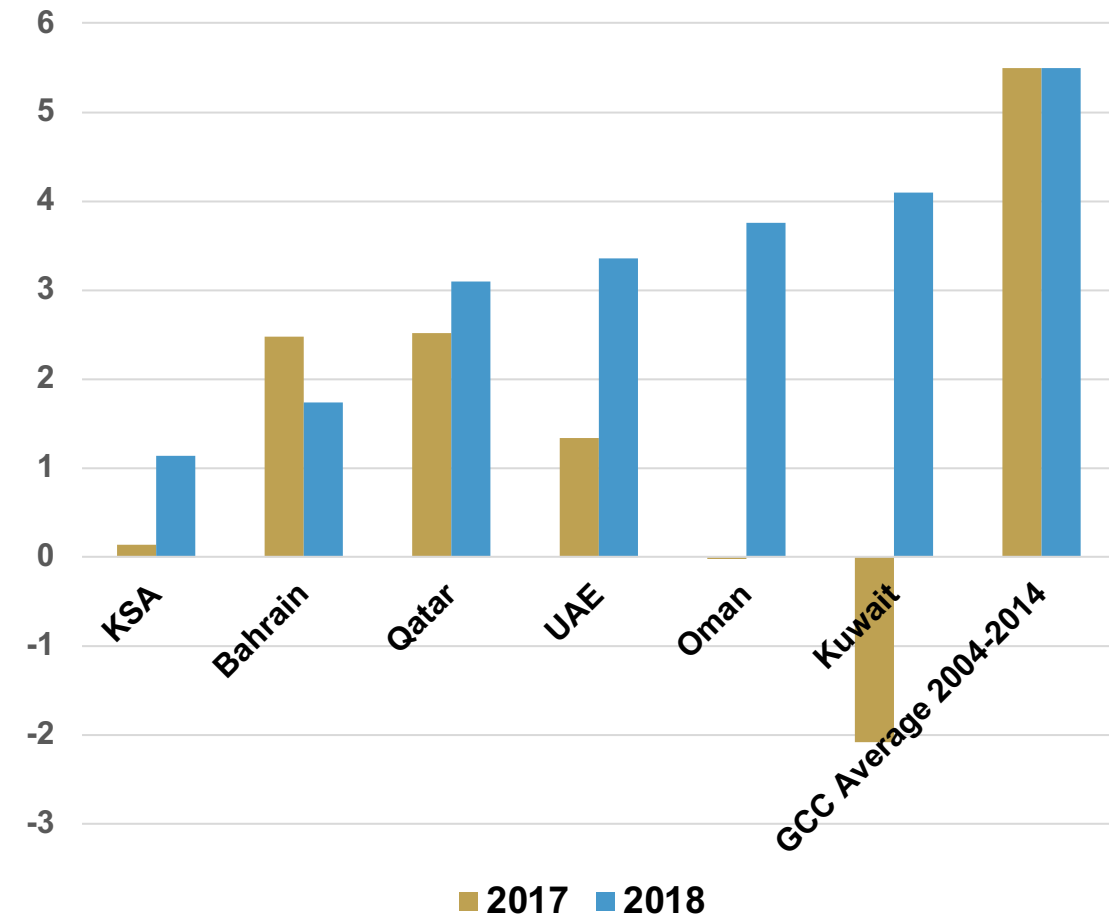
Source: IMF

## GCC Growth 2017 vs 2018

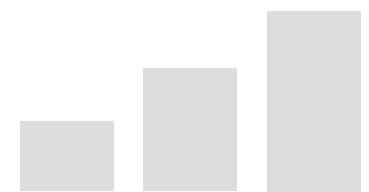


Source: World Bank

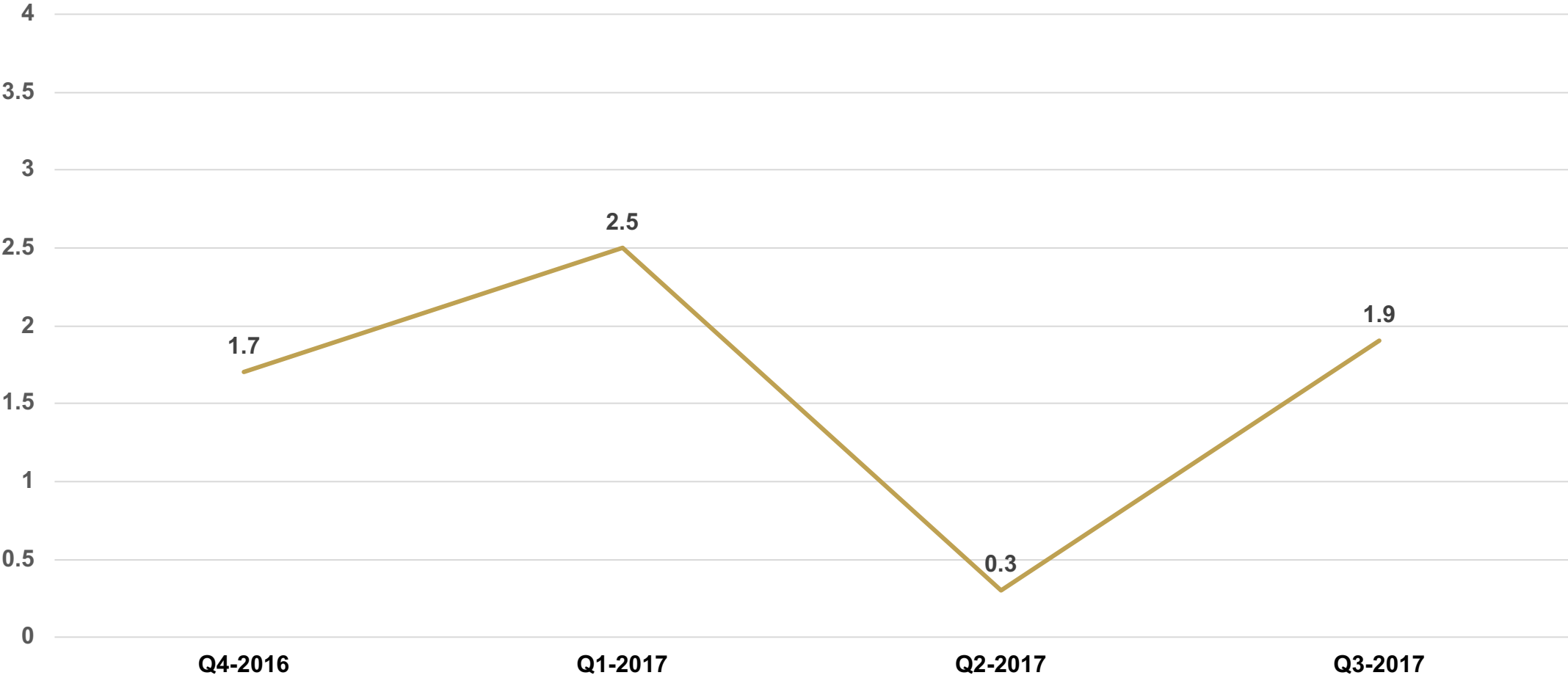
## GCC Growth 2017 vs 2018



Source: IMF



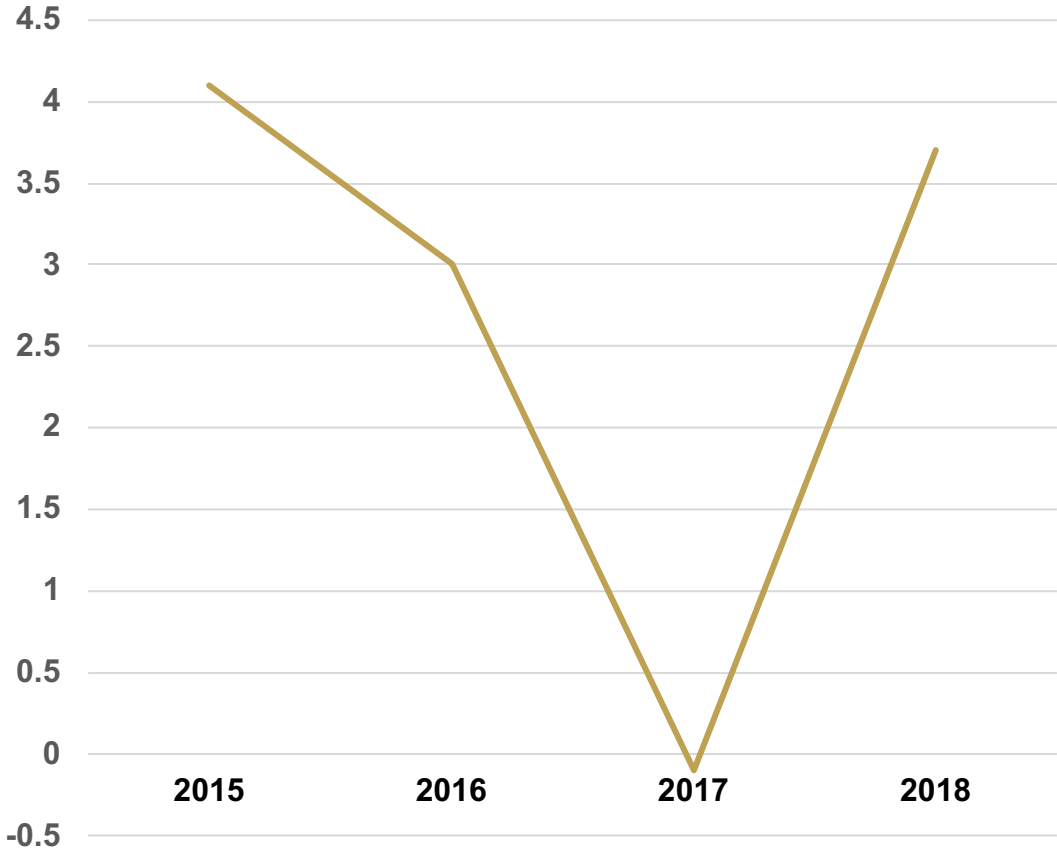
Qatar Quarterly Growth



Source: Qatar Statistics Authority

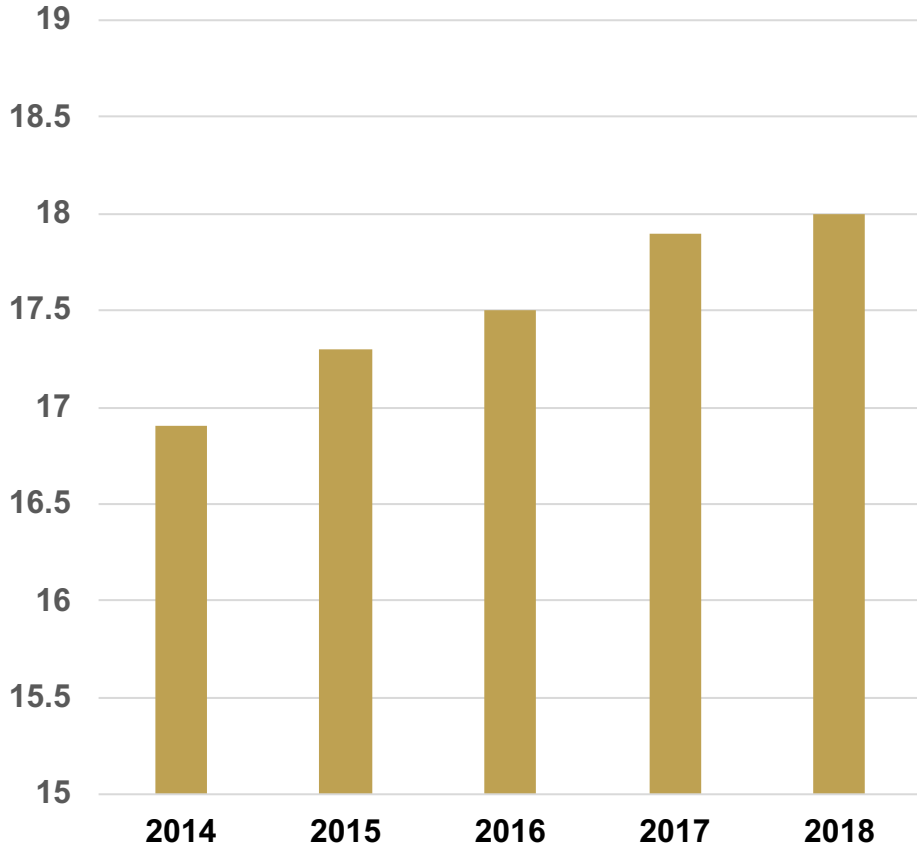


Oman GDP growth



Source: NCSI

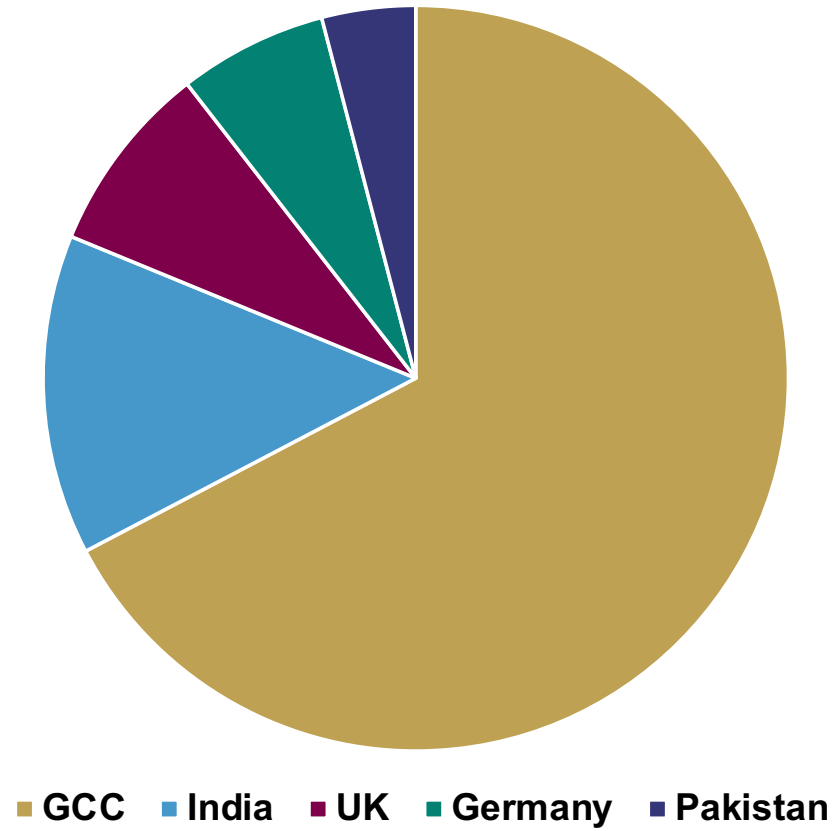
Oman Unemployment (%)



Source: Central Bank Oman

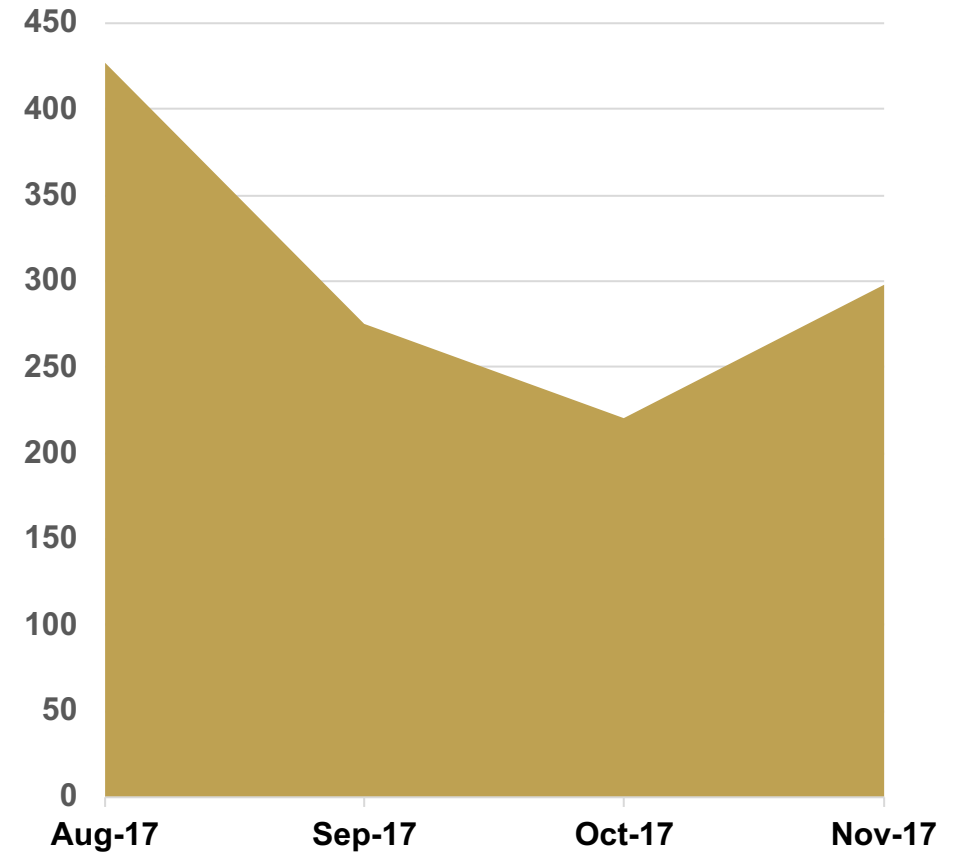


### Oman Inbound Tourism

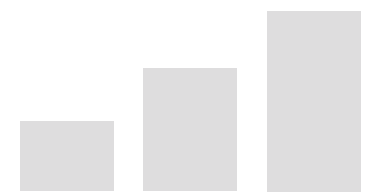


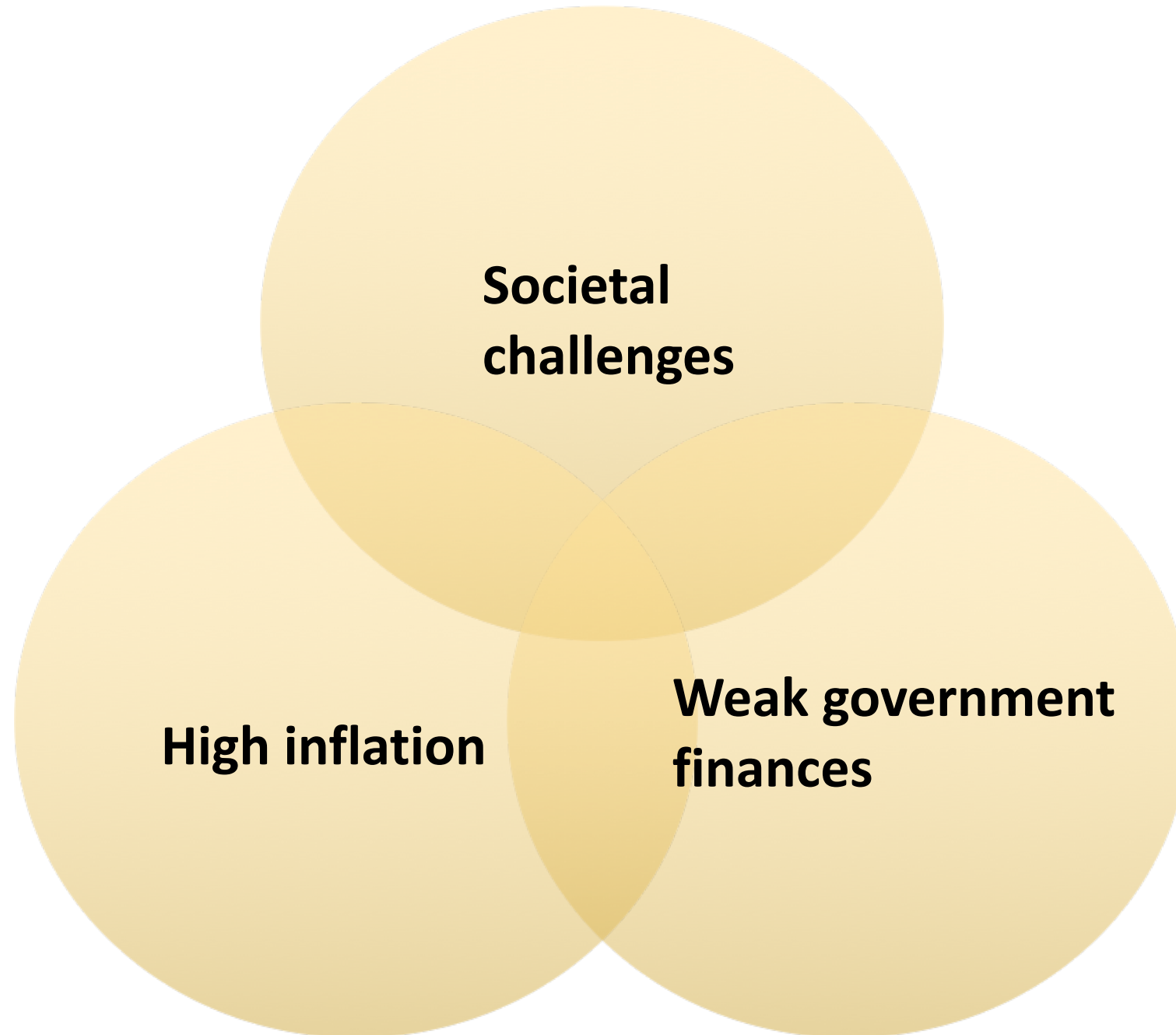
Source: NCSI

### Oman Tourist Arrivals



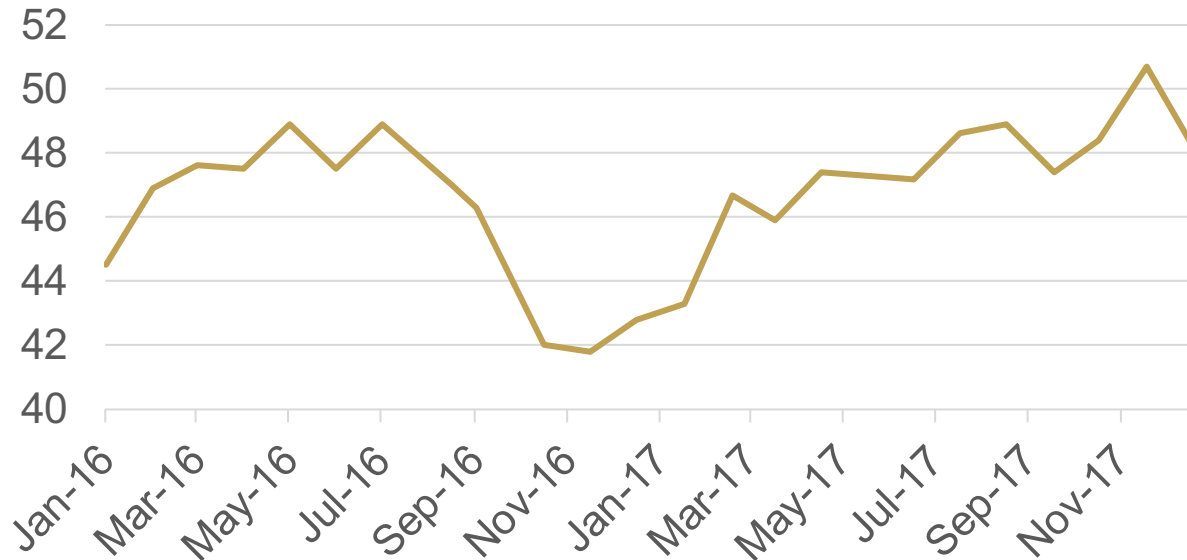
Source: NCSI





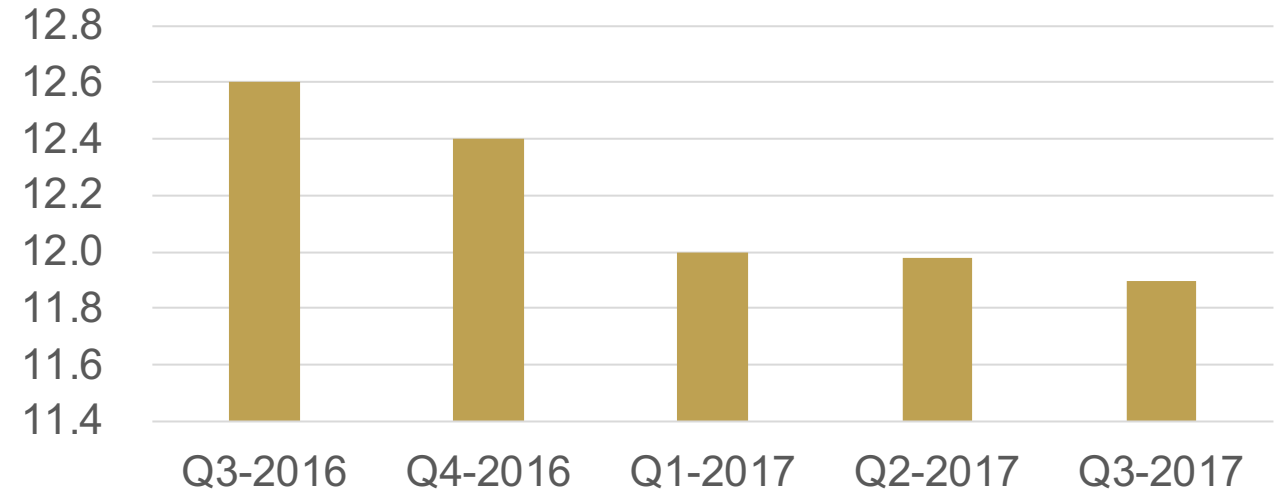


## Business Activity



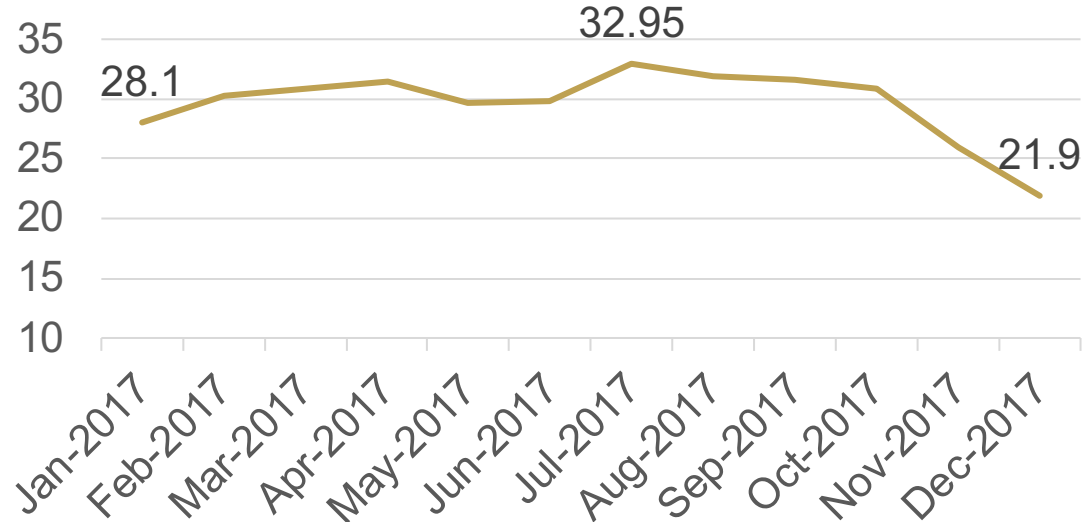
Source: Markit

## Unemployment (%)



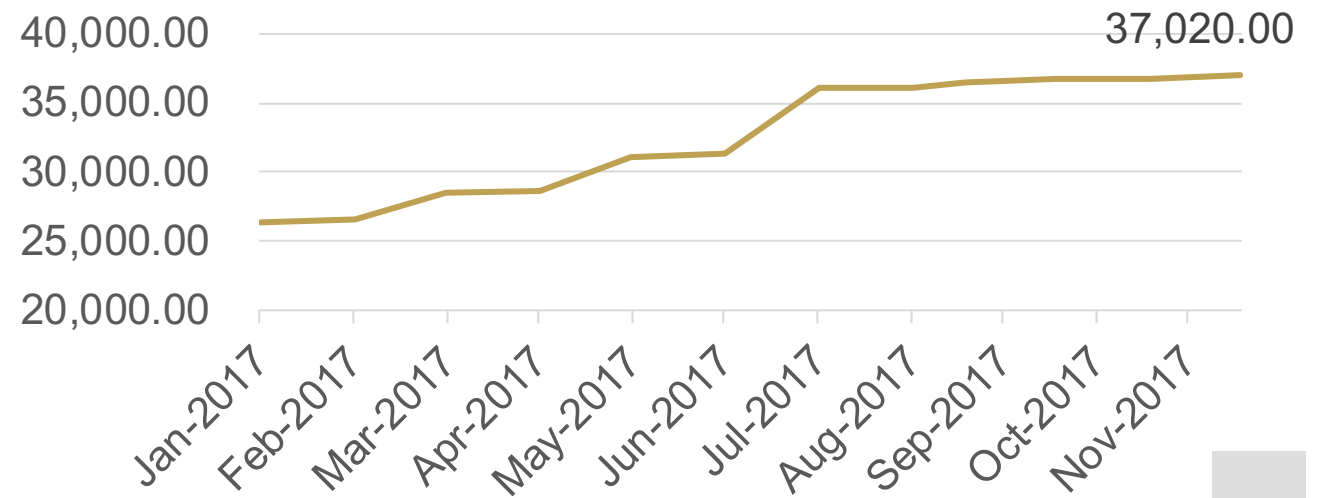
Source: CAPMAS, Egypt

## Inflation % (y-o-y increase)



Source: Central Bank of Egypt

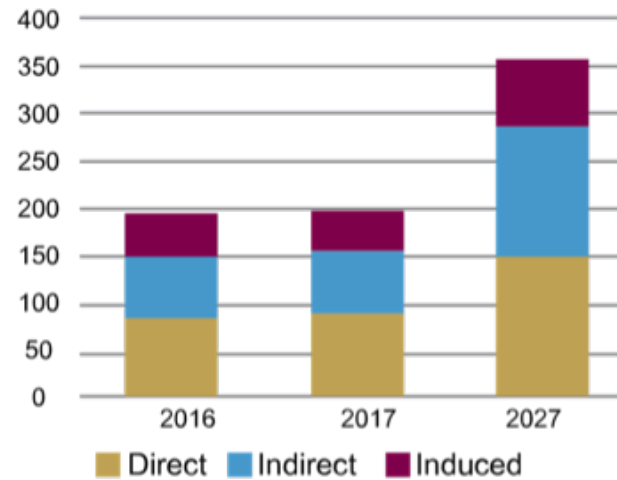
## Foreign Exchange Reserves USD (in million)



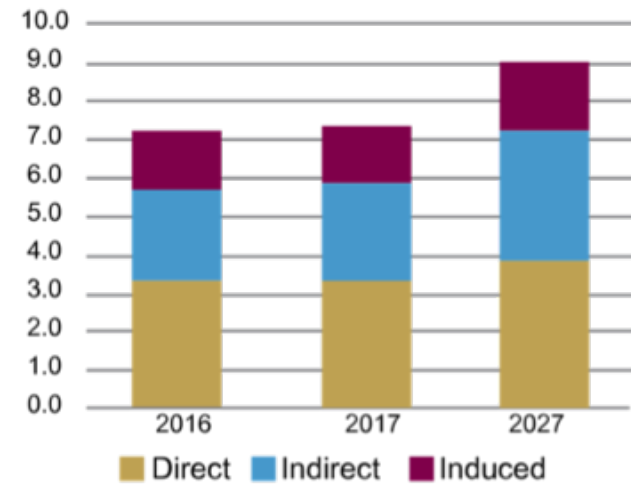
Source: Central Bank of Egypt

## Total contribution of travel and tourism to the economy

Constant 2016 EGPBN

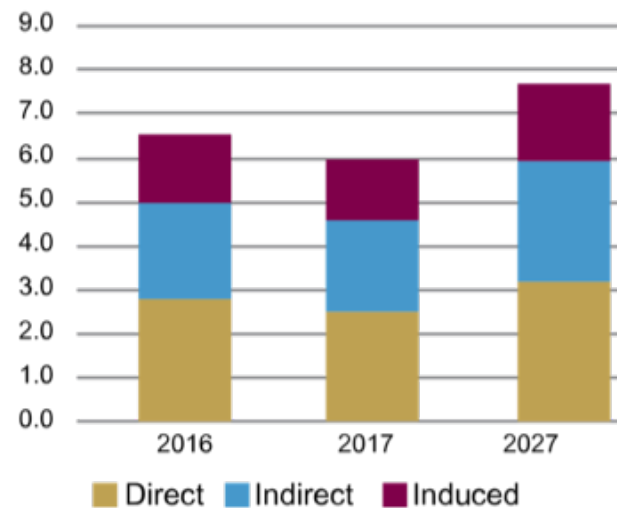


% of whole economy GDP

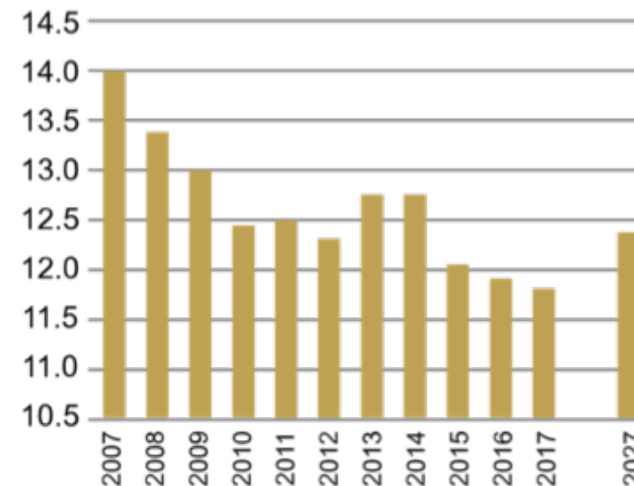


All values are in constant 2016 prices & exchange rates

% of whole economy employment



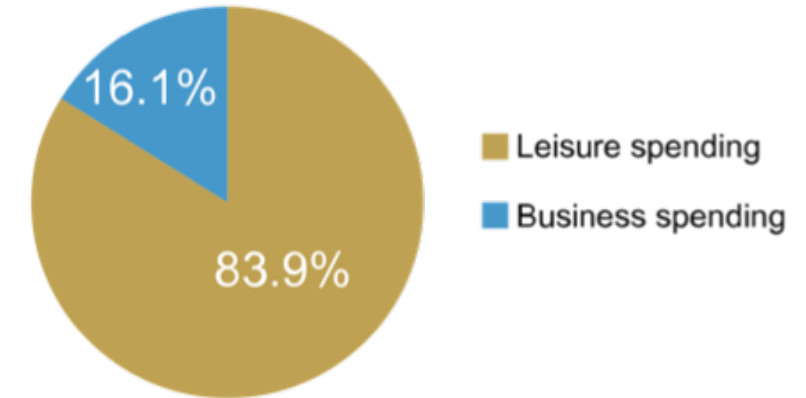
% of whole economy GDP



## Source of consumption?

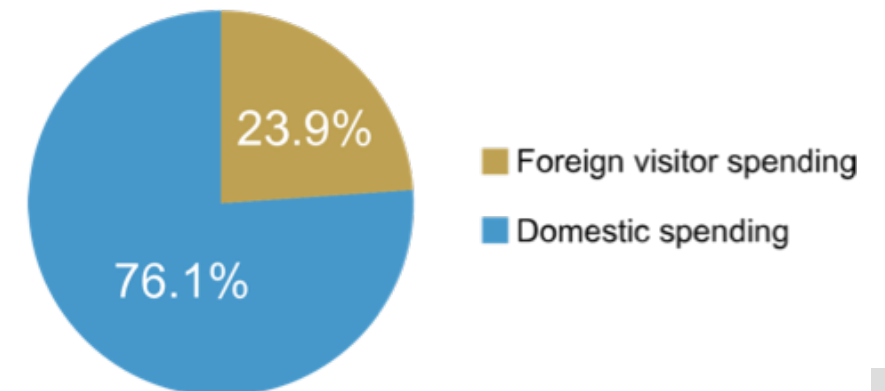
### EGYPT

Total contribution of travel & tourism to GDP:  
Business vs leisure, 2016



### EGYPT

Travel & tourism's contribution to GDP:  
Business vs leisure, 2016



Source: World Travel & Tourism Council, Travel & Tourism Economic Impact 2017, Egypt

# KEY TAKEAWAYS





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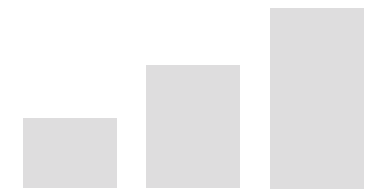


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