Moody’s establishes its ranking of the Egyptian economy at B2

Moody's credit rating agency has established its classification of the Egyptian economy at the level of «B2» with a stable outlook, attributing the reason to the size of the major economic and structural reforms that have made the Egyptian economy’s performance more flexible and able to absorb the economic shock caused by the outbreak of the Corona virus pandemic.

According to the global credit rating agency, the fruits of Egypt's economic reforms, which were represented in the availability of a strong foreign exchange reserve and a broad domestic financing base and imports sufficient to cover external debt payments, all contributed to creating a buffer zone that the Egyptian economy avoided the storm of capital displacement that swept other emerging markets in the wake of the Corona virus pandemic.

The agency indicated that its credit view of the Egyptian economy stems from the increased competitiveness supported by the improvement in the performance of the local currency following the decision to liberalize the currency exchange rate in 2016, and the development of the Zohr gas field, which contributed to strengthening investment activity in the energy and other sectors.

The credit institution granted a “BA” degree in its evaluation of the effectiveness of the fiscal policy in Egypt to reflect the structural shift towards achieving initial government surpluses from FY 2019, and the trend towards providing a surplus of 1% of the country's GDP over the next few years. Moody's also granted a “BA” score for the efficiency of monetary and macroeconomic policies in Egypt, reflecting the success of the Central Bank's efforts to keep the price level relatively stable since it decided to liberalize the pound exchange rate against the dollar in 2016 until July of last year (2019), after which inflation rates recorded successive record declines in line with the bank’s target range.

Source (Al-Sharq Al-Awsat newspaper, Edited)
Tunisia: The Economic Situation is Difficult & Requires Boldness and Track Change

Tunisian Finance Minister Muhammad Nizar Yaish revealed that there are multiple and various difficulties facing the Tunisian economy at the present time, and several difficulties will emerge in a short period in light of the recession in recent months, which led to a weak volume of exports, a decline in state resources and a lack of financial liquidity.

He stressed that the current economic situation in Tunisia is "very difficult", and requires "boldness and change of track, and joining all efforts and avoiding all political tensions."

He explained that most public institutions have been experiencing financial deficits for years, and the development of them has now become more complicated after the stop of economic activities and the difficulty of returning to normal activity in a number of sectors such as the tourism sector and the transport sector, especially air and sea.

He pointed to the necessity of resorting to a number of directed solutions, considering that talking about a unified and comprehensive economic solution is not possible under the current circumstances, expecting that the Tunisian authorities will resort to adopting plans and strategies that affect each economic activity separately, and to restructure many governmental institutions even until it returns to the economic cycle in better conditions.

It is noteworthy that the International Monetary Fund expected negative economic growth in Tunisia of 4.3 percent, which is an economic decline that the country has not known since its independence in 1956.

According to the Tunisian Finance Minister, the Tunisian economy needs 11 billion Tunisian dinars (about $3.8 billion) of internal and external loans to finance the 2020 budget, and difficulties are expected to increase as a result of the suspension of activities during the past months, especially the deterioration of tourist reservations, which is one of the most important sources of foreign exchange provision.

Source (Al-Sharq Al-Awsat newspaper, Edited)

وزراء الزراعة في مجموعة العشرين: ضمان سلسلة الإمداد الغذائي العالمي وفتح الباب واسعا للقطاع الخاص

The G20 Agriculture Ministers: Ensuring the Global Food Supply Chain & Opening the Door Wide for the Private Sector

The Ministers of Agriculture of the G20 countries, which is currently chaired by the Kingdom of Saudi Arabia, called for avoiding the current unjustified measures to ensure the global food supply chain, while opening the door wide for the private sector to play a critical role in mobilizing rapid and innovative responses to eliminate the effects of the epidemic on the agricultural and food sectors.

After the end of the extraordinary meeting that was held virtually, the Ministers of Agriculture of the G20 announced commitment to close cooperation and take concrete measures to protect food security and nutrition at the global level, calling for the importance of work to ensure a continuous flow across borders of food, products and inputs necessary for agricultural and food production, in line with the leaders' statement in March about the epidemic.

The Ministers acknowledged the challenges facing them to reduce the risk of the pandemic, stressing the need to maintain food supply chains, and to work to ensure the health, safety and welfare of workers in agriculture, and throughout the supply chain. The G20 agriculture ministers also stressed that they are currently working to avoid any unjustified restrictive measures that could lead to excessive fluctuations in food prices on global markets, which would threaten food security and nutrition for large numbers of the world's population, especially the most vulnerable who live in safe and low food environments.

Source (Al-Arabiya.net website, Edited)
Monetary Fund: The Jordanian Economy Will Recover & Grow at a Faster Rate

The head of the International Monetary Fund mission to Jordan, Christopher Jarvis, expected that the Jordanian economy will recover faster than other countries, as a result of health and economic measures taken by the government to reduce the consequences of the "Corona crisis".

Jarvis confirmed, in a joint interview with the Jordanian Minister of Finance Mohammad Al-Asas, published by the Jordanian News Agency "Petra", that "the new financing program of Jordan with its reform approach will motivate the international financing institutions and donors to provide funds on reduced terms for Jordan", explaining that "the strength points of this program and the government's good implementation of it will be visible to the Jordanian economy, within the next few months.

He praised the Jordanian government's response to contain the crisis, noting that Jordan's program and the International Monetary Fund are "designed in a flexible way that allows the use of some of the budget items to confront the Corona crisis."

He stressed "the need to continue to provide financial support to the economy as a whole through the banking system, as the central bank must have the space required to take the necessary measures."

For his part, Minister Al-Asas stressed, during the dialogue, that Jordan will continue to fulfill its obligations related to domestic and foreign debts despite the repercussions of the "Covid 19" crisis at the national and global levels.

Considering that the government's fulfillment of its obligations sends a positive message to investors about the ability of the Jordanian economy to bear the consequences of the Coronavirus crisis, and then the trend towards economic growth.

Source (New Arab newspaper, Edited)