The National Institute of Statistics revealed that Tunisia's GDP decreased by 1.7% annually in the first quarter of 2020, as the vital tourism sector was severely affected by the Corona virus crisis. This is compared to a growth of 1.1% in the same quarter last year.

The authorities expect the Tunisian economy to shrink by 4.3% this year, the largest contraction in more than 60 years.

Tunisia began easing travel and corporate movement restrictions this month, allowing half of government employees to return to work, but the pandemic has hit the tourism sector, which contributes about 10% of GDP, which is a major source of foreign currency.

Tourism revenues decreased in the first three months of 2020 by 27% compared to the same period in 2019 to one billion dinars, as Tunisian hotels and resorts were free of foreign tourists.

Tunisia expects the tourism sector to lose 1.4 billion dollars and 400,000 jobs this year due to the Corona virus pandemic.

With this in mind, the Tunisian Prime Minister Elyes Fakhfakh explained that Tunisia's needs for external financing will increase to double at about 5 billion euros this year, from about 2.5 billion euros in previous expectations.

Source (New Arab Newspaper, Edited)
Morocco: Budget Revenues Fell $4 billion Due to Corona

Morocco has revealed a decline in financial budget revenues of about 4 billion dollars during the period of home quarantine, which calls for searching for new revenues, in order to meet the spending that will maintain its level in the current year.

According to a government report, the kingdom’s treasury has lost about $50 million per day since the beginning of the quarantine and health emergency, which will take 80 days, since March 20, and is expected to end after the last extension on June 10. These missing revenues represent about 15% of fiscal revenue expected to reach $24 billion this year, and constitute twice of the non-tax revenue.

According to preliminary estimates of the International Monetary Fund, the budget deficit is expected to reach 7.1% this year. The level of the deficit expected by the International Monetary Fund evokes the effects of the Corona crisis over the next year, as fiscal revenues are expected to decline, due to the failure of the activity of companies operating in vital sectors.

The government used the revenues from donations, aids and transfers from the budget to the pandemic fund, as it reached $3.4 billion to support workers who lost their job opportunities and support productive sectors, but it may be forced to support the activity through public spending in light of the economic take off.

Source (New Arab Newspaper, Edited)

Egypt Succeeds in Implementing the Largest Issuance of International Bonds

The Egyptian Ministry of Finance succeeded in implementing the largest issuance of international bonds, at a value of $5 billion, in three classes (4-12-30 years), with issued values of $1.25 billion, $1.75 billion, and $2 billion, respectively, at very good rates of return in light of the fluctuations the recent global financial markets are experiencing a high degree of risk and uncertainty from investors.

The Ministry of Finance revealed that the offering has witnessed, since its inception, a strong and continuous increase in purchase requests by foreign investors from all regions and countries, where the volume of subscription requests by foreign investors reached more than $9 billion after only two and a half hours after the start of subscription and announcing the offering from Cairo, while the volume of investor requests reached more than 22 billion dollars in the final stages of the offering and before the closure.

The issuance, which is the largest in the history of Egypt, enabled the Ministry of Finance to return to the international bond market in May 2020, in order to provide a prior part of the financing needs for the next fiscal year 2020/2021, at a value of $5 billion.

Source (Al-Arabiya.net website, Edited)