The International Air Transport Association (IATA) warned of a deterioration in the expectations of airlines compared to its estimates issued in December, and expected the liquidity drain in the sector to continue until the fourth quarter of this year in light of the tightening of travel restrictions.

The Association raised its forecast for the total liquidity consumption of airlines for 2021 to between 75 and 95 billion dollars, up from 48 billion in the December forecast.

While many countries began distributing vaccines to tackle the emerging coronavirus, the emergence of faster-spreading strains of the virus in countries such as Britain, Brazil and South Africa have forced many governments to ban unnecessary travel.

Next summer will be crucial for many airlines and holiday operators who are struggling to survive after nearly a year with little to no revenue due to the pandemic’s restrictions. Many of them will need additional funds after their cash reserves are depleted.

British Heathrow Airport, for example, lost two billion pounds in 2020, and according to IATA, digital medical checks have become essential to the recovery of international travel. Revealing that it intends to launch a special travel permit for Covid-19 by the end of March, to activate a digital system for the results of examinations and vaccination certificates, which will help facilitate travel.

Source (Asharq Al-Awsat Newspaper, Edited)
UAE is the 1st in the Arab Region in terms of Governance, Business & Trade Indicators

The UAE ranked first in the region and 17th globally in the Global Soft Power Index issued by Brand Finance for the year 2021, which measures criteria including international relations, governance, business, trade, and the cultural heritage of each country.

According to the report, the UAE scored 48.4 points, an increase of 2.4 over last year, and witnessed remarkable results and distinction in key pillars included in the classification, such as governance, in which the UAE recorded its largest increase among the top 20 countries in the 18th position, and ranked 19 in the education and science standard, and achieved the 24th place in the standard of people and values. There are also positive perceptions of political stability within the UAE, as well as its security and safety distinction.

In this context, David Hay, CEO of Brand Finance, affirmed that with the approaching fiftieth anniversary of its founding in December, the UAE continues to prosper and showcases its amazing growth path, which is reflected in its 13th advanced position in future growth potentials among countries.

The index expanded this year to include 100 countries, where Germany topped the global ranking with 62.2 points, becoming the world's leading superpower in soft power, and Japan ranked second (60.6 points), and the United Kingdom ranked third with 57.9 points, while Canada ranked fourth at 57.2 points & Switzerland is fifth with 56.3 points.

A year of widespread unrest was starkly reflected in the sharp collapse of the United States in the same index, falling to sixth place by 55.9 points.

Source (Al Khaleej Newspaper-UAE, Edited)
Moody's Downgrades Tunisia's Rating with a Negative Outlook

Moody's, the credit rating agency, downgraded Tunisia's long-term issue of foreign and domestic currency from B2 to B3, and maintained its negative outlook. Moody's had affirmed Tunisia's rating at B2 with a negative outlook in October 2020, after it placed Tunisia's B2 rating "under review towards reduction" in April 2020. According to the agency, this rating reflects weak governance in the face of mounting social restrictions that are increasingly preventing the government's flexibility in implementing fiscal adjustment and public sector reforms that would bring stability and ultimately reflect the marked increase in its debt burden. Moody's noted that this classification was supported by the relative stability of the external situation during the epidemic shock, which provides some support for future external debt service payments, despite the persistence of refinancing risks. Indicating that the negative outlook is the result of downside risks related to further delay in negotiating and implementing the program funded by the International Monetary Fund. The Tunisian Institute of Statistics announced that the economy recorded a record contraction in the gross domestic product for the year 2020, amounting to 8.8 percent, with a clear increase in unemployment rates, reinforced by closures related to measures to combat the Corona epidemic.

Source (Al-Araby Al-Jadeed Newspaper, Edited)

Kuwait's Budget Records a Deficit of 5.41 billion Dinars

Kuwait's public budget recorded a fiscal deficit of about 5.41 billion dinars in the period from April 2020 to January 2021, that is, during the 10 months of the fiscal year 2020/2021, according to the monthly report of the Ministry of Finance, with an increase of 549 percent compared to the deficit achieved in the corresponding period of the last fiscal year, which amounted to 833.32 million dinars (before deducting the Generations' Fund share). The total revenue collected for the period from April 2020 to last January was about 7.85 billion dinars, an increase of 4.7 percent over the estimated budget for the same period of 7.5 billion. During 10 months of the current fiscal year, oil revenues reached 6.713 billion dinars, an increase from the estimated 19.3 percent, while actual non-oil revenues recorded 1.14 billion dinars, accounting for 60.8 percent of the estimated budget. As for the expenditures and commitment, it amounted to 13.26 billion dinars, by 10.984 billion for expenses and 2,316 billion for commitment, so that the total expenses and actual commitment during 10 months constitute only 61.5 percent of the estimated budget. The total capital expenditures during the same period amounted to 697.82 million dinars, or about 30.2 percent of the budget estimate, which is 2.3 billion dinars.

Source (Al-Rai Newspaper-Kuwait, Edited)
أظهر تقرير صادر عن غرفة قطر يتضمن تحليلاً لأبرز اتجاهات الاقتصاد القطري، فضلاً عن تقرير حول الإحصائيات المتعلقة بالتجارة الخارجية لدولة قطر وتجارة القطاع الخاص لشهر ديسمبر 2020، بلغ إجمالي قيمة صادرات القطاع الخاص خلال العام 2020 نحو 14.9 مليار ريال، مقابل 21.6 مليار ريال في العام 2019 الماضي أي بترحق نسبته نحو 30 في المئة، متأثرًا بتداعيات انتشار فيروس كورونا التي أثرت سلباً على حركة التجارة العالمية.

وبلغت صادرات القطاع الخاص، خلال شهر ديسمبر 2020، بناءً على شهادات منشأ، حوالي 1,333 مليون ريال سجلتها في شهر نوفمبر الماضي أي بنسبة زيادة على 1,175 مليون ريال، بزيادة 13.4 بالمائة.

وبحسب التقرير جاء هذا التحسن مدعومًا بالزيادة الكبيرة في الصادرات على نموذج شهادة مجلس التعاون الخليجي التي حققت زيادة كبيرة بلغت نسبتها 286.2 في المئة، حيث ارتفعت قيمتها من حوالي 99 (99) مليون ريال إلى حوالي 382 (382) مليون ريال. هذا بجانب الزيادة الطفيفة في الصادرات حسب نموذج الشهادة الموحدة دول مجلس التعاون الخليجي إلى سنغافورة التي بلغت نسبتها 0.9 في المئة، إلا أن الوزن النسبي لهذا النموذج عند مستوى 13.3 بالمائة يقلل من تأثيرها على مؤشر نمو صادرات القطاع الخاص. 

المصدر (صحيفة الراي القطرية، بتحرير) 

Decline of Qatari Private Sector Exports in 2020

A report issued by Qatar Chamber that includes an analysis of the most prominent trends of the Qatari economy, as well as a report on statistics related to Qatar’s foreign trade and private sector trade for December 2020 showed that the total value of private sector exports during the year 2020 reached about 14.9 billion riyals, compared to 21.6 billion riyals in the year 2019, meaning a decline of about 30 percent, affected by the repercussions of the spread of the Coronavirus, which negatively affected the global trade.

The exports of the private sector, during the month of December 2020, according to the certificates of origin issued by the Chamber, amounted to about (1,333) million riyals, compared to about (1,175) million riyals recorded in last November, an increase on a monthly basis of 13.4 percent.

According to the report, this improvement was driven by the large increase in exports on the model of the Gulf Cooperation Council certificate, which achieved a significant increase of 286.2 percent, as its value increased from about (99) million riyals to about (382) million riyals, in addition to the slight increase in exports. According to the unified certificate model for the GCC countries to Singapore, which amounted to 13.3 percent, however, the relative weight of this model at 0.9 percent reduces its impact on the private sector export growth index.

Source (Al-Rai Newspaper-Qatar, Edited)