

Bloomberg Daybreak: Middle East & Africa Interview, 6 Nov 2023

Aathira Prasad joined Yousef Gamal El-Din on 6th of November, 2023 as part of the Bloomberg Daybreak: Middle East & Africa edition. The discussion focused on Saudi Arabia's PMI release, Egypt's inflation and the regional implications of the Israel-Hamas conflict on markets, especially oil.

- Saudi PMI jumped in Oct: employment increased the most since October 2014 => demand for labour => demand for housing will rise while supply has remained relatively stable. Will continue driving up prices of housing & in turn have an impact on inflation.

- The underlying situation in Egypt has still not changed: curbing of imports has led to supply shortages & dollar shortages have led to a rise in dollar rate in the parallel market. Accumulation of govt debt is a worry and the geopolitical situation adds another layer of uncertainty.

There are some +ives: attractiveness to foreign investors (oil. & gas, renewable projects, start ups / e-commerce), tourism. But, this could be affected if the current turmoil in the region spills over and/or continues for longer.

- Re markets: focused on what seems to a halt in the rate-hiking cycle; for now, geopolitical risk premiums have eased & there seems to be no significant impact on demand for oil or a supply disruption.

Watch the interview below:
<https://www.bloomberg.com/news/videos/2023-11-13/prasad-saudi-oil-cuts-to-remain-until-year-end-video>