Bloomberg Daybreak Middle East Interview, 18 Apr 2021

Dr. Nasser Saidi joined Manus Cranny on the 18th of April, 2021 as part of the Bloomberg Daybreak: Middle East edition, discussing the state of the US economy bond markets brushing off strong US data, inflationary pressures, views on cryptocurrencies/ Bitcoin/ SPACs as well as Chinese Q1 GDP and emerging market valuations.

Watch the interview below – Dr. Nasser Saidi joins from 05:30 till 19:10. The original link to the full episode: https://www.bloomberg.com/news/videos/2021-04-18/-bloomberg-daybreak-middle-east-full-show-04-18-2021-video

A quote from the interview also appeared in a news article:

"At the global level, you have both China and the U.S. growing fast. That's driving markets across the globe," Nasser Saidi & Associates president and founder Nasser Al-Saidi told Bloomberg.

"The simultaneous rally in stocks and bonds is temporary, but it suggests confidence in continued central bank support and "no fear of rapid inflation ramping up," he added.

Bloomberg Daybreak Middle East Interview, 28 Mar 2021

Dr. Nasser Saidi joined Manus Cranny and Yousef Gamal El-Din on the 28th of March, 2021 as part of the Bloomberg Daybreak: Middle East edition, discussing the blockage of traffic in the Suez Canal and the fragility of global supply chains, how the US should focus on getting the economy going again and Covid19 risks rather than focusing on inflation, and how the China-US

confrontation is affecting market sentiment.
Watch the interview below. The original link to the full episode:
https://www.bloomberg.com/news/videos/2021-03-28/-bloomberg-daybreak-middle-east-full-show-03-28-2021-video

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Interview with Al Arabiya TV (Arabic) on US stimulus package & inflationary pressures, 9 Feb 2021

Dr. Nasser Saidi spoke to Al Arabiya's Nadine Hani on 9th Feb 2021 about the $1.9trn stimulus plans in the US and whether this would lead to inflationary pressures. Will this support a stock market bubble, leading to an eventual crash?
Watch the full interview (in Arabic) here.

Bloomberg Daybreak Middle East Interview, 7 Feb 2021

Dr. Nasser Saidi joined Manus Cranny on the 7th of February, 2021 as part of the Bloomberg Daybreak: Middle East edition, discussing the state of the US economy, the $1.9trn economic rescue package (including composition of spending), inflationary pressures (?), taper tantrums & financial

fragility, as well as Italy & its prospects under Mario Draghi.
Watch the interview below – Dr. Nasser Saidi joins from 06:52 till 18:30. The original link to the full episode: https://www.bloomberg.com/news/videos/2021-02-07/-bloomberg-daybreak-middle-east-full-show-02-07-2021-video

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Bloomberg Daybreak Middle East Interview, 17 Jan 2021

Dr. Nasser Saidi joined Manus Cranny on the 17th of January, 2021 as part of the Bloomberg Daybreak: Middle East edition, discussing Biden's $1.9trn economic rescue package in the US, strength of the euro & the ECB narrative.
Watch the interview below – Dr. Nasser Saidi joins from 07:30 till 17:15. The original link to the full episode: https://www.bloomberg.com/news/videos/2021-01-17/-bloomberg-daybreak-middle-east-full-show-01-17-2021-video

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"Accelerating decarbonisation and digitisation can build upon UAE's game-changing

reforms", Op-ed in The National, 27 Dec 2020

The op-ed by Dr. Nasser Saidi, titled "*Accelerating decarbonisation and digitisation can build upon UAE's game-changing reforms*", appeared in The National on 27th Dec 2020 and is reposted below.

Accelerating decarbonisation and digitisation can build upon UAE's game-changing reforms

The Emirates' monetary, fiscal and health stimulus packages cushioned the economy from the impact of the Covid-19 pandemic

Adjusting to Covid-19 has defined this year – from partial or full lockdowns to remote working and stalling global trade, investment and tourism, with cleaner air the rare bright spot.
Hopes of a V-shaped recovery diminished with the emergence of new Covid strain and subsequent lockdowns. Yet, despite the "Great Lockdown" resulting in a deep recession, markets are exuberant amid expectations that the production and distribution of several vaccines will create a path to normality in 2021.
Unlike the global financial crisis from 2008 to 2009, which began as a housing bubble and a demand shock, the current health crisis began as a supply shock that disrupted global supply chains and caused a spillover to the demand side, where it hit trade, tourism and consumption.
Given the widespread impact of the pandemic and despite concerted monetary and fiscal stimulus equal to 12 per cent of global gross domestic product, not only will the road to recovery be longer but the cumulative output loss will be much

larger than during the 2008 financial crisis, with long-term scarring of labour markets and economies expected.

The UAE’s combined monetary, fiscal and health stimulus package – equal to 18 per cent of its GDP – cushioned the economy after a demand-induced oil price shock and the effects of a global lockdown.

After several weeks of movement restrictions and stringent health measures, the UAE’s public health system proved effective and resilient, allowing the economy to reopen earlier than regional peers.

While maintaining social distancing and applying Covid-19 protocols to keep the community safe, the UAE reopened offices, businesses, allowed tourists to enter and successfully held events and conferences – both online and on site. This bodes well for the delayed Expo 2020 Dubai and the resumption of tourism.

With the reverberations of Covid-19, the UAE’s policy reforms were spot on – from the game-changing 100 per cent foreign ownership of businesses to the remote working initiative to the retirement and 10-year residency visas for skilled professionals – amid the country’s intentions to become a knowledge-based, innovative economy.

Liberalisation and market access reforms are set to attract foreign investment, boost capital flows to the property market, enhance workforce skills and support innovation and productivity growth.

With energy market volatility and lingering coronavirus-induced uncertainty, what activities can drive an economic recovery next year and support medium-term growth prospects?

For GCC oil producers, de-risking fossil fuel assets by following a strategy of part-privatisisions and public-private partnerships in energy reserves, upstream and downstream operations and related infrastructure such as pipelines is important. This has started with Adnoc and Aramco.

With the oil price required to balance budgets higher than current prices, deficit financing instruments should be developed by governments. We can expect new government bonds to be issued next year that will encourage more corporate bond issuances and private debt placements.

The UAE is accelerating its decarbonisation efforts, focusing on energy efficiency, transitioning to renewable energy and building on its leadership in renewable energy projects and investment in climate risk mitigation and adaptation.

Greater investment in agriculture technology for food security, which includes sustainable vertical farming and desert agriculture, should take place in tandem with the sustainability and energy efficiency drive.

Decarbonisation and the diversification of the energy mix will support the growth of the UAE’s capital markets through the issuance of green bonds and sukuk, as well as the financing of PPP and privatisation deals for renewable energy and clean technology.

Indeed, the UAE can become a regional, if not a global, centre for renewable energy finance.

Covid-19 has led to a strong impetus to digitise as working and learning from home became more popular. The UAE should build on its strong e-commerce and e-services base by massively investing in 5G to support the Internet of Things and building smart cities and infrastructure.

This is critical for the retail sector to move online from brick-and-mortar shops. Liberalising the telecoms sector and lowering the costs of broadband services will help the country become a fully digitised economy and a regional hub for digital services.

The UAE has world-class core infrastructure in transport and logistics, power and telecoms. These assets can serve infrastructure-poor countries in the region, East and Central Africa, India, Pakistan and Central Asia. Electricity from solar power can be exported through cross-country, integrated grids.

Finally, the UAE’s normalisation of relations with Israel heralds a new regional economic geography: new trade and investment opportunities, as well as the reduction of geopolitical tensions.

Dr Nasser H Saidi is a former Lebanese economy minister and founder of the economic advisory and business consultancy Nasser Saidi & Associates

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Bloomberg Daybreak Middle East Interview, 20 Dec 2020

Dr. Nasser Saidi joined Yousef Gamal El-din on the 20th of December, 2020 as part of the Bloomberg Daybreak: Middle East edition, to discuss impact of Covid19 on economic activity, in addition to the US stimulus and unemployment, speculative frenzy in the markets, US-China tech "war" and Brexit negotiations.
Watch the interview below – Dr. Nasser Saidi joins from 05:30 till 15:00. The original link to the full episode: https://www.bloomberg.com/news/videos/2020-12-20/-bloomberg-daybreak-middle-east-full-show-12-20-2020-video

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How GCC countries can adapt policies for a post Covid-19 world, Article in The

National, 23 Jun 2020

This article titled "How GCC countries can adapt policies for a post Covid-19 world" appeared in The National on 23rd June, 2020. The original article can be accessed [here](#).

How GCC countries can adapt policies for a post Covid-19 world

by Dr. Nasser Saidi and Aathira Prasad

As countries emerge from three-months of Covid-19 containment, policy makers need to plan for a transformed post-pandemic world and create a new development model

Covid19 continues to be part of life as we know it. The GCC nations are gradually emerging from lockdown. There are nodes of optimism as the number of recoveries outpace the confirmed cases, including in the UAE.

Stimulus packages across the GCC included a number of common policy actions – rate cuts, liquidity enhancing measures, deferment of loans and credit card payments. Also noteworthy is the support extended to small and medium sizes enterprises (SMEs) and affected sectors impacted by the pandemic-induced lockdowns which include tourism, hospitality and aviation.

After almost 3 months of lockdowns, countries are phasing their recovery plans. As we gradually emerge from Covid-19 containment, policy makers need to plan for a transformed post-pandemic world, which underscores the need to create a new development model.

For the GCC countries, this means reviewing three broad policy measures related to monetary and fiscal policies as well as structural reforms.

Most GCC nations are pegged to the dollar except for Kuwait which pegs its dinar to a basket including the greenback. Hence, the countries follow the Fed’s interest rate moves, which may limit the use of other instruments of monetary policy and might restrict other policy moves from the central banks other than stimulus packages to increase liquidity.

So what can the central banks do to support their economies, while maintaining a peg or moving to a currency basket? Two innovative ways of providing support would be the establishment of GCC central bank swap lines and monetising new government debt issued for deficit financing.

The establishment of GCC central bank swap lines, with an option for the larger central banks (SAMA, UAE) to tap the Fed or People’s Bank of China (PBoC) would enable regional central banks to tap additional liquidity during times of market stress, support financial stability and provide a liquidity backstop.

Monetising new government debt issued for deficit financing can help avoid the crowding out of the private sector and inject liquidity, given the lack of developed local currency debt markets and central banks’ limited ability to conduct open market operations.

On the fiscal policy front as part of their pivot towards diversifying their economies and becoming less reliant on oil revenues, a move towards deficit financing along with the institution of fiscal rules for long-term fiscal sustainability can help accelerate the development of local currency debt and mortgage markets to finance housing and long-term infrastructure projects.

Rationalising government spending either by reducing the size of government, shifting activities to the private sector, and moving to targeted subsidies is another element of fiscal reform. In conjunction governments can issue long term debt that can be bought by central banks during a crisis period which is happening in the US and Europe today.

Diversify government revenues by improving the management of public commercial assets and increasing the efficiency of tax collection is an important element of fiscal reform.

Consolidating the large number of fees and charges on consumers and businesses into fewer broad-based taxes, can help lower business and living costs.

The Covid pandemic is also an incentive for “Green New Deals” through investment in public health, domestic AgriTech for food security, renewable energy, clean cities and technologies, that will support job creation and economic diversification. Governments can take the first step to ensure a project pipeline, focusing on public-private partnerships, with targeted incentives for SME participation.

Accelerating the digitisation drive will also lower the cost of broadband internet and accessibility while speeding up the implementation of 5G.

The establishment of social safety nets and protection programs and pension schemes will also help reduce financial burdens that can come around in periods of crisis. For employees, a contribution towards a pension fund would ensure sufficient savings in the event of job losses or retirement and for employers, this provides them with an investment fund and support end-of-service or gratuity payments.

Structural reforms including the acceleration of privatisation, working closer with private sector participation is key. Developing insolvency frameworks to support out-of-court settlement, corporate restructuring and adequately protect creditors’ rights is another important element. Enhancing the environment that continues to attract and retain human capital through a permanent residency programme could help generate significant economic gains.

A positive side-effect of Covid-19 is the realisation that working from home is a feasible option. Companies can offer flexible work options, reduce office space and rents, while employees can stay at cheaper home locations, save on rents, and telecommute. To realise these benefits, requires removing barriers by amending labour laws and liberalising voice over Internet Protocol (VoIP).

The Covid-19 perfect storm is an unprecedented opportunity for the GCC countries for a policy reset, to steer toward a new development model for a post-pandemic world and move away from business as usual.

Bloomberg Daybreak Middle East Interview, 26 Apr 2020

In the April 26th, 2020 edition of Bloomberg Daybreak: Middle East, Dr. Nasser Saidi spoke to Yousef Gamal el-din and Manus Cranny on the impact of Covid19 on economic growth (what shaped recovery?), the changing global narrative and Central Bank responses.

Watch the interview below.

The original link to the full episode (from 03:30 onwards): https://www.bloomberg.com/news/videos/2020-04-26/-bloomberg-daybreak-middle-east-full-show-04-26-2020-video

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Interview with Al Arabiya TV (Arabic) on G20's temporary debt relief plans, 15 Apr 2020

Dr. Nasser Saidi spoke to Al Arabiya’s Lara Habib on 15th Apr 2020 about the G20’s agreement to provide temporary debt

relief to poorer nations. The full interview can be viewed here.
Dr. Saidi said: "I believe this is too little. We need at least 1-year debt moratorium to free up $1 trillion. IMF estimates EMEs funding needs are $2.5 trillion."

Interview with CNBC Arabia on central bank responses to Covid19, 6 Apr 2020

Dr. Nasser Saidi's CNBC Arabia interview focused on the role of central banks in the ongoing Covid19 pandemic, growing levels of debt, limits to role of monetary policy as well as Universal Basic Income. This interview was aired on 6th April 2020.

https://nassersaidi.com/wp-content/uploads/2020/04/track2.mp4

Interview with Dubai TV (Arabic) on GCC's Covid19 stimulus packages, 3 Apr 2020

Will the GCC nations require a second round of stimulus packages, asked Zeina Soufan from Dubai TV to Dr. Nasser Saidi on the show which was broadcast on 3rd Apr 2020. The interview can be viewed here.

Bloomberg Daybreak Middle East Interview, 29 Mar 2020

In the March 29th, 2020 edition of Bloomberg Daybreak: Middle East, Dr. Nasser Saidi speaks to Yousef Gamal el-din and Manus Cranny on why Covid19 will rampage through the US, deep recession ahead, weak US dollar, vulnerability of some emerging markets with high debt and Central Bank responses.
Comments from the interview were published in LA Times
"Emerging-market currencies, particularly those with high levels of debt and very low growth prospects, like South Africa, will be pressured, but also other countries like Taiwan and others that have seen large outflows. All of those currencies are going to be exposed, the Aussie dollar as well."

Watch the interview below.

The original link to the full episode (Dr. Nasser Saidi joins from 03:06): https://www.bloomberg.com/news/videos/2020-03-29/-bloomberg-daybreak-middle-east-full-show-03-29-2020-video

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The Arab World's Perfect COVID-19 Storm, Project Syndicate Article, Mar 2020

The article titled "The Arab World's Perfect COVID-19 Storm", was first published on Project Syndicate on 24 March 2020, and can be directly accessed [here](#).

In the face of the COVID-19 pandemic, policymakers in the Gulf Cooperation Council states are rolling out stimulus measures to support businesses and the economy. But the camel in the room remains oil, especially the immediate impact on demand of the Chinese and global economic slowdown.

Middle Eastern and Gulf Cooperation Council (GCC) economies are heading toward a recession in 2020 as a result of the COVID-19 pandemic, collapsing oil prices, and the unfolding global financial crisis.

The fast-spreading global pandemic – with Europe its new epicenter – is generating both supply and demand shocks. The supply shock results from output cuts, factory closures, disruptions to supply chains, trade, and transport, and higher prices for material supplies, along with a tightening of credit. And the aggregate-demand shock stems from lower consumer spending – owing to quarantines, "social distancing," and the reduction in incomes caused by workplace disruptions and closures – and delayed investment spending.

The two largest Arab economies, Saudi Arabia and the United Arab Emirates, are proactively fighting the spread of COVID-19, for example by closing schools and universities and postponing large events such as the Art Dubai fair and the

Dubai World Cup horse race. Likewise, Bahrain has postponed its Formula One Grand Prix.Saudi Arabia has even announced a temporary ban on non-compulsory *umrah* pilgrimages to Mecca, and has closed mosques. Because religious tourism is one of the Kingdom's main sources of non-oil revenue, the *umrah* ban and likely severe restrictions on the obligatory (for all Muslims) *hajj* pilgrimage will have a large negative impact on economic growth.

True, policymakers across the GCC are rolling out stimulus measures to support businesses and the economy. Central banks have focused on assisting small and medium-size enterprises by deferring loan repayments, extending concessional loans, and reducing point-of-sale and e-commerce fees. And GCC authorities have unveiled stimulus packages to support companies in the hard-hit tourism, retail, and trade sectors. The UAE has a consolidated package valued at AED126 billion ($34.3 billion), while Saudi Arabia's is worth $32 billion and Qatar's totals $23.3 billion. Moreover, policymakers are supporting money markets: Bahrain, for example, recently slashed its overnight lending rate from 4% to 2.45%.

But the camel in the room remains oil, especially the immediate impact on demand of the Chinese and global economic slowdown. The International Energy Agency optimistically estimates that global oil demand will fall to 99.9 million barrels per day (bpd) in 2020, about 90,000 bpd lower than in 2019 (in the IEA's pessimistic scenario, demand could plunge by 730,000 bpd). Indeed, successive production cuts had already led to OPEC's global market share falling from 40% in 2014 to about 34% in January 2020, to the benefit of US shale producers.

The weakening outlook for oil demand has been exacerbated by the Saudi Arabia-Russia oil-price war, with the Saudis not only deciding to ramp up production, but also announcing discounts of up to $8 per barrel for Northwest Europe and other large consumers of Russian oil. Although the Kingdom's strategic aim is to weaken shale-oil producers and regain market share, the price war will also hit weaker oil-dependent economies (such as Algeria, Angola, Bahrain, Iraq, Nigeria, and Oman), and put other major oil producers and companies under severe pressure. Indeed, in the two years after oil prices' last sharp fall, in 2014, OPEC member states lost a collective $450 billion in revenues.

That episode prompted GCC governments to pursue fiscal consolidation by phasing out fuel subsidies, implementing a 5% value-added tax (in the UAE, Saudi Arabia, and Bahrain), and rationalizing public spending. Nonetheless, GCC countries continue to rely on oil for government revenues, and their average fiscal break-even price of $64 per barrel is more than double the current Brent oil price of about $30 per barrel. The UAE and Saudi Arabia have estimated break-even prices of $70 and $83.60, respectively, while Oman ($88), Bahrain ($92), and Iran ($195) are even more vulnerable in this regard. More diversified Russia, by contrast, can balance its budget with oil at $42 per barrel.

The near-halving of oil prices since the start of 2020, the sharp fall in global growth, and the effects of the COVID-19 pandemic will put severe strains on both oil and non-oil revenue. As a result, GCC governments' budget deficits are likely to soar to 10-12% of GDP in 2020, more than double earlier forecasts, while lower oil prices will also result in substantial current-account deficits.

Governments will respond by cutting (mostly capital) spending, magnifying the negative effect on the non-oil sector. Some countries (Kuwait, Qatar, and the UAE) can tap fiscal and international reserves, while others (Oman, Bahrain, and Saudi Arabia) will have to turn to international financial markets.

But will GCC governments be able to borrow their way out of this phase of lower oil prices? Global equity and debt markets currently are close to meltdown; with investors fleeing to safe government bonds, liquidity is drying up.

The GCC countries will suffer a negative wealth effect, owing to losses on their sovereign wealth funds’ portfolios and net foreign assets. And, given bulging deficits and the prospect of continued low oil prices, sovereign and corporate borrowers will find it harder and more expensive to access markets. The ongoing financial crisis will therefore exacerbate the effects of the oil-price shock and the pandemic.

The pandemic itself is still unfolding, and its eventual global impact will depend on its geographical spread, duration, and intensity. But it is already clear that in the coming weeks, there will be heightened uncertainty about global growth prospects, oil prices, and financial-market volatility. And as the pandemic continues its deadly march, the GCC economies – like many others – will be unable to avoid recession.

Interview with Al Arabiya (Arabic) on GCC's response to Covid19, 17 Mar 2020

Dr. Nasser Saidi discusses the GCC’s responses to the ongoing Covid19 outbreak, in an interview that aired on Al Arabiya on 17th March 2020. In the interview, he reiterates the need for fiscal policy stimulus (given its effectiveness) vs monetary policy action; also highlights the sectors and countries that would be most adversely affected.
The video can be viewed below; the write-up can be accessed at https://ara.tv/4rmup

Comments on the Palestine economy in Arab News, 26 Jun 2019

Dr. Nasser Saidi's comments on the $50 billion economic stimulus package unveiled at the Peace to Prosperity workshop (held in Bahrain) in the article "Why the Palestinian economy urgently needs a stimulus" published by Arab News on 26th June 2019.

The full article can be accessed at: http://www.arabnews.com/node/1516196/middle-east

Comment are posted below:

Eminent Middle East economist Nasser Saidi told Arab News: "The distortions of the Israeli occupation – the barriers and obstacles – have led to a lack of infrastructure and increasing the cost of doing business." He added: "A lot of these were put there in the name of security, but many of them are unnecessary. If you want to address the economic issues, you need to remove these barriers."

He believes that Kushner's proposals will have only a "very limited" impact. "These aren't really investments, they're more like long-term loans to the Palestinians, and you have to question their ability to service the loans," Saidi said. "What's really needed is a Marshall Plan for Palestine, but this isn't it. It barely addresses the issues in Gaza, for example, which is essentially a large number of people in what is effectively a concentration camp. How can they hope to be productive in an economic sense?"