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IN THIS EDITION ...

Saudi Arabia jumped three places in the latest Global Competitiveness Index to emerge as the 36th most business-friendly country in the world out of 141 nations.

The World Economic Forum (WEF), which conducts the survey every year, said Saudi Arabia is making strides to diversify its economy: the non-oil sector is expected to expand in 2019, and further public and private investments outside the mineral sector will be deployed over the next few years.

"The determination of Saudi Arabia to initiate a process towards structural transformation of its economy is mostly visible in terms of ICT adoption (38th), a pillar where the country has gained 9.4 points," the WEF said in its annual report.

The latest government data also shows the non-oil economy is driving growth, expanding by 2.94% in the second quarter on the back of strong economic activity.

To keep the momentum going, the kingdom continues to roll out new projects to accelerate economic development. In October, the government said it plans to launch a new logistics zone open to private investors in the Red Sea port city of Jeddah, according to a transport ministry statement.

The new zone will be located in AlKhomra and aims to boost the logistics sector to help diversify the kingdom's economy away from oil.

AlKhomra Logistics Zone's strategic location, with its proximity to Jeddah Islamic Port, will contribute to making it a global logistics destination and a major hub linking the Middle East, Europe and Africa, according to Eng. Saad bin Abdulaziz Al-Khalb, president of the Saudi Ports Authority (MAWANI).

Meanwhile, the Saudi government also signed a number of deals with its counterpart in Russia during the recently concluded Saudi-Russian Joint Committee as the two countries expand their strong energy ties into other areas.

Some of the areas of collaboration will include scientific research, space, justice, health services, tax administration, mineral wealth, tourism, aviation industry, trade relations and co-operation between relevant government agencies, such as sovereign investment funds, state-owned enterprises and the private sector.

ECONOMIC TRENDS

The Kingdom's non-oil sector GDP rose around 2.94% during the second quarter with the private sector leading the way.

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REAL ESTATE

The government's objective to increase home ownership among nationals has spurred investment in residential property projects across the kingdom.

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PETROCHEMICALS

Aside from streamlining operations, companies are putting more money into improving their businesses.

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POWER

Power conservation and renewable energy will play a huge part in the kingdom's long-term goal for sustainability.

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SME

Making funding options accessible to small businesses has been crucial to developing the kingdom's growing entrepreneurial sector.

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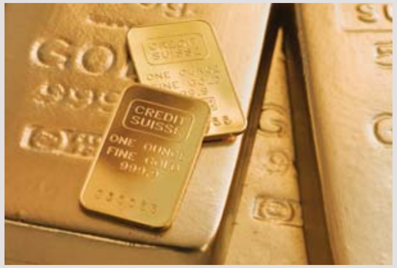

COMMODITY

The yellow metal is seen as a solid hedge amid trade tensions and geopolitical risks, while base metals' performance seeks direction from China.

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SAUDI PRIVATE SECTOR DRIVES ECONOMIC GROWTH

Moody's Investors Services noted in its report that the Ministry of Finance remains committed to the reform programme, which will further enhance the country's economic resilience. To this end, real GDP growth rates in Q1 of 2019 were around 1.7% compared to 1.4% in Q1 of 2018. In addition, the real growth rate of non-oil sector was 2.1%, driven by the private sector's 2.3% expansion compared to 1.7% in the same quarter last year.

For its part, the Ministry of Finance has noted that the budget deficit is well within the parameters set for the 2019 budget.

"Whilst we are committing to focus increased investment in key Vision 2030 areas, we are also improving our efficiency and effectiveness of that spending," the ministry said. "We also have one of the strongest reserves in the world and the country's financial assets substantially exceed its liabilities."

Moody's also noted that a package of new laws drafted as part of the Vision 2030 plan will attract more private investment and enhance the credit quality of Saudi's infrastructure deals.

The new laws, which will exempt infrastructure investors from certain existing Saudi laws and ease real estate ownership restrictions, will improve credit quality by making Saudi public sector transactions and legal processes more transparent and predictable.

"While the new laws will boost investment in established sectors like power and water, they will be especially beneficial for transactions in new sectors such as social infrastructure because they will reduce uncertainty for creditors," said Kunal Govindia, a Moody's assistant vice president and analyst.

Moody's reiterated its A1 rating to the kingdom, with a stable outlook.

PRIVATE SECTOR DRIVES NON-OIL ECONOMY

Saudi Arabia's non-oil sector GDP rose around 2.94% during the second quarter, beating the 2.47% growth registered during the same period last year, according to the General Authority for Statistics.

Encouragingly, private sector economy led the way, rising 3.42% (versus 1.93% last year), while the government sector also edged up 1.76% during the period (3.80% in the previous year). The oil sector declined 3.02% during the quarter, but the non-oil sector growth was enough to push the overall GDP growth for the sector 0.46% higher.

Some sectors drove economic growth during the second quarter. Transportation, storage and information, and communications expanded 6.36%, while wholesale and retail, trade, restaurants and hotels posted a 5.78% increase. Finance, insurance, real estate and business service jumped 5.44%, while construction rose 4.8%, in a strong showing across the board. However, electricity sector was a laggard as it fell 6.3%, while manufacturing declined 2.29%.

Indeed, business conditions improved at its fastest pace in three months, according to the IHS Markit Saudi Arabia PMI Index.

September data indicated the fastest improvement in business conditions across Saudi Arabia's non-oil private sector for three months, amid further increases in new business from both domestic and foreign markets, the IHS noted in its monthly report, Output expanded at the fastest pace since December 2017, enabling firms to take on additional staff at the most marked rate in 18 months.

"The rate of growth of new export orders, meanwhile, quickened from August and was solid," IHS noted. "The non-oil private sector jobs market improved markedly during September. The rate of job creation was the fastest in 18 months. Some panellists stated that they had raised their headcounts in order to improve their product quality."

TOURISM PUSH

Saudi Arabia is also looking to tap into its rich heritage and cultural sites with the launch of the e-tourist visa, as part of the Vision 2030 strategy, to attract 100 million visitors annually by 2030 compared to 41 million currently.

The e-tourist visa will be made available to 49 countries in the first phase through the website or upon arrival in the kingdom, and will be rolled out to other countries soon.

"By 2030, the kingdom will be one of the top five countries receiving foreign tourists from all over the world, with revenues of up to 10% instead of the current 3% of gross national income, while the number of jobs in the sector of tourism will reach 1,600,000 jobs compared to just 600,000 jobs right now," according to the Saudi Commission for Tourism and National Heritage.

The non-oil economy is already playing a bigger role in building economic momentum and will remain a key driver as the Vision 2030 programme rolls out.

HOUSING MARKET PICKS UP PACE IN SAUDI ARABIA

The real estate sector in Saudi Arabia is gathering steam once again as the kingdom's housing projects roll out. Real estate gross domestic product rose 2.4% in the second quarter of this year, beating the 2.21% growth during the same period last year, according to the General Authority for Statistics.

Real estate activities contributed SAR 35.2 billion to the economy in the quarter, compared to SAR 34.4 billion in the previous period. Overall, real estate accounted for 5.5% of Saudi Arabia's GDP in the second quarter.

Jones Lang LaSalle (JLL) expects more than 50,000 residential units to be delivered into the Riyadh market alone in the next two years. Majority of the projects are expected to comprise high-quality apartments and townhouses that meet the population's need for more modern and contemporary living solutions at affordable rates.

"These efforts continue to be supported by growth in demand as a result of government initiatives to increase home ownership rates to 60% by 2020 and 70% by 2030 as stipulated in Vision 2030," according to the real estate consultancy.

MORTGAGE LENDING ON THE RISE

Statistics from the Saudi Arabian Monetary Authority (SAMA) shows an annual acceleration in real estate loans in Q2 2019 versus Q2 2018. This indicates financial institutions have been allocating an increasing share of their loans to housing and real estate.

Real estate loans by banks had risen to SAR 263.72 billion by the second quarter, a 21.64% increase over the same period last year, according to SAMA. Of these, SAR 165.87 billion were retail real estate loans, a 29% jump over the second quarter of 2018, while corporate real estate loans stood at around SAR 98 billion, or a 10.85% increase.

The total number of residential new mortgages finance for individuals provided by banks jumped to a record 34,905 in the second quarter – a dramatic 259% increase over the same period last year, as financial institutions heed the government's call to raise ownership.

July and August have already seen new mortgage contracts of around 26,772 combined, suggesting that the first eight months of the year has already exceeded the 46,885 contracts issued in all of last year, according to data extrapolated from SAMA.

Similarly, finance companies are also raising their exposure to real estate loans. The second quarter showed new real estate loans of SAR 17.7

billion, a year-on-year increase of 16.2%. Residential new mortgage contracts for individuals provided by finance companies surged nearly 117% to 2,153 by the end of the second quarter, SAMA data shows.

In Jeddah, there were around 1,500 stand-alone units by the end of the second quarter, bringing the total stock of residential units in the city to 821,000, with a further 4,000 units expected to be handed over during the second half of the year.

JLL noted that scheduled completions this year include the mid-rise Al Tawheed Tower along the Corniche (122 units), Emaar Residences 'Abraj Al Hilal 3' within Jeddah Gate (283 units), and the first phase of Manazil Al Safa.

"While most projects are nearing completion, some are either available for reservations only or are put on hold until market conditions and sentiment improves," JLL said. "Looking ahead, and assuming no further delays in construction, an additional 14,000 units are expected to enter the market between 2020 and 2021."

SAKANI PROGRAMME

To fulfil its ambition of increasing home ownership by Saudi nationals to 60% by 2020 and 70% by 2030, Saudi Arabia's housing ministry announced a plan to build approximately 19,500 residential units for its nationals under the 'Sakani' housing development programme.

Sakani's latest report notes that 55 housing projects are being built in partnership with the private sector, which will provide 100,000 housing units across the kingdom. There are more than 40 housing projects ready for residential projects around an average price of SAR 350,000 featuring integrated infrastructure, such as water, electricity and communications networks and lighting, sidewalks, asphalt roads, green areas, parks and public service facilities.

Saudi Arabia's inclusion in the FTSE Russell Index and MSCI emerging market index is also reverberating across the wider economy. In June, Tadawul announced the inclusion of Saudi Stock Exchange in the FTSE EPRA Nareit Emerging Index (EPRA: European Public Real-estate Association). The index specialises in REITs and real estate companies.

"Saudi Arabia is the largest emerging real estate market by value in the EMEA region that is now accessible for global investors through Saudi REITs included in the Index," said Ali Zaidi, director, research and indexes at EPRA.

"The reclassification of Saudi Arabia as an eligible market for the FTSE EPRA Nareit series not only benefits investors in gaining access to a high potential real estate market, it also enables Saudi REITs to harmonise reporting and ESG standards valued by institutional investors. EPRA welcomes the inclusions and is encouraged for further expansion of the index in EMEA," Zaidi concluded.

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SAUDI PETCHEM GIANTS CONTINUE TO INVEST AND INNOVATE FOR GROWTH

Saudi Arabian Basic Industries (SABIC) is looking to streamline its operations and create a more efficient structure by merging two units.

The company said it had secured the relevant regulatory approvals to merge its wholly owned affiliate Saudi Petrochemical Company (SADAF) with all the assets, rights, liabilities and obligations in its other wholly owned affiliate Arabian Petrochemical Company (PETROKEMYA).

"The merger is driven by SABIC's strategy to increase efficiency and competitiveness of its operations," the company said. "The transaction is not expected to have immediate material impact on SABIC's financial position but will improve cost competitiveness in the long term."

SABIC has stepped up its innovation drive and introduced a number of products over the past few months. The company has been collaborating with partners to build up a large bank of knowledge on foaming technologies, to launch a dedicated polyolefin elastomer foam solution for footwear – both sports shoes and casual.

Footwear, and especially sports shoes and casual shoes, is a growing global business. New concepts and differentiated designs are of huge importance to brand owners in a saturated market.

"DF stands for 'Dedicated Footwear' and this is where SABIC is unique in the industry, being the first to provide a unique, tailored foamed solution for the mid sole and insole market," said Frank de Vries, SABIC global foam and lightweight leader. "SABIC is focusing on footwear, we have in-depth know how on diverse foaming technologies and the right solutions. We are keen to speak with leading brand owners and their value chain partners such as sole producers on how to move forward and work on new innovation developments together," de Vries continued.

SABIC also opened a new Technology and Innovation Center in October dedicated to the caps and closures segment in Geleen, the Netherlands. Located in SABIC's Global Technology Center for Europe on the Chemelot Campus, the investment is proof of SABIC's commitment to the industry to develop new materials and technologies focused on caps and closures.

"SABIC is pursuing cutting-edge technologies related to both new material development and to application testing," the company said. "Polymers developed specifically for applications in this sector help enable, for example, lighter caps, and pumps and dispensing systems that are more efficient and easier to manufacture, all the while supporting customer efforts to improve overall sustainability.

SABIC also unveiled the Xenox HTX resin product, a polyester-based, high-heat technology that can enable the production of light, impact resistant and high performing structural automotive applications, in October. The product offers significant weight savings compared to steel and aluminum.

EYEING 2020

National Industrialization Co (Tasnee) expects global petrochemical prices to rise in 2020 after easing this year amid a trade war between the United States and China, its chief executive told Reuters.

The company, which has interests in petrochemicals, metals and chemicals, is one of the world's largest producers of titanium dioxide, which is used in products such as paints, industrial coatings and plastic.

"This year is not going to be an easy year. Petrochemical prices have been depressed, all commodities prices in general are down," Mutlaq al-Morished, chief executive of Tasnee, said in an interview.

"I think in 2020 we should see improvement, assuming there will be some sort of agreement between the Americans and the Chinese. But even if there is trade war, we have seen the shock already and markets have already discounted it."

Indeed, Saudi companies are positioning themselves for growth as the global slowdown may be temporary and long-term demand for many emerging economies remains intact.

In September, Saudi Aramco signed a memorandum of understanding with China's Zhejiang Free Trade Zone to facilitate Aramco's planned acquisition of a 9% stake in the Zhejiang integrated refinery and petrochemical complex. It will also include a long-term crude oil supply agreement and the ability to utilise Zhejiang Petrochemical's large crude oil storage facility to serve its customers in Asia.

"The agreement solidifies Saudi Aramco's participation in the 400,000 barrels per day refinery from Phase III of the Zhoushan Petrochemical Greenfield project, and also allows the parties to evaluate potential opportunities for investment in other parts of the value chain," the company said. "These may include refining and petrochemical production, storage and trade of crude oil and natural gas, retail, as well as distribution of oil products within the Zhejiang Free Trade Zone."

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SAUDI LOOKS TO FUTURE-PROOF ITS ENERGY SECTOR

Saudi Arabia is pushing hard to expand its power generation and deploy renewable energies and natural gas to meet its rising needs.

But it is also rationalising its power consumption, which is 15th highest in the world per capita, according to the World Bank.

The country has put in place a strategy to rein in consumption, reducing dependence on oil-fuelled power generation and finding more efficient and sustainable ways to produce power for the growing economy.

In 2018, Saudi Arabia reported burning an average of 0.4 million barrels per day (bpd) of crude oil for power generation, the lowest amount since at least 2009, the earliest year that data are available from the Joint Organizations Data Initiative (JODI).

Saudi Arabia burns considerably more crude oil directly for power generation than any other country. Between 2015 and 2017, Saudi Arabia used more than three times the amount of crude oil for power generation than Iraq, the second-largest user of crude oil for power during those years, according to the Energy Information Administration (EIA), the statistical arm of the US Department of Energy.

"Natural gas processing capacity is also increasing. Consumption of natural gas in Saudi Arabia reached 10.6 billion cubic feet per day in 2017, the latest year for which data are available," the EIA said. "With less crude oil directly used for power generation, more crude oil is available for Saudi Arabia's refining and exports. For many years, Saudi Arabia has worked to increase its domestic refinery capacity and is currently able to process 2.9 million bpd of crude oil."

EMERGING POWER

The Saudi Electricity Company's (SEC) latest half-yearly results show that Saudi businesses and citizens are playing their part in conserving energy. The largest power company said year-on-year consumption fell 2.4% in the first half of 2019, primarily driven by consumption rationalisation in residential and commercial segments. It was the 12th consecutive quarterly drop in fuel consumption.

However, subscribers grew 4% year on year to reach 9.6 million customers, the SEC said. The company reduced consumption of oil by 8 million barrels in the first half of 2019.

"Energy demand growth is expected to be flattish or declining in the short-term (one to two years) and to resume modest growth from 2021 onward," the SEC said.

To prepare for the upturn, the SEC's generation capacity has been rising 5.7% annually since 2000, while growth in transmission grid line is growing at a brisk pace of 6.3% annually over the same period, the company said in an investor presentation.

The number of electrified communities have risen 73% over the past 18 years to 13,137 in 2018, said the company, which controls 70% of power-generation assets in the country. SEC generates 52.9 GW of electricity through its 40 power plants across the kingdom.

During the first half of 2019, the SEC added 436 MW of new-generation capacity in the Waa'd Al Shamaal project, a solar power project.

The SEC has also been upgrading its infrastructure, with its four operating regions now 90% interconnected. It is also bolstering its extra high voltage lines and transformer capacities and investing in rolling out its fibre optic infrastructure.

Steam turbines using thermal energy, are emerging as the biggest energy source, taking their share of power generation in SEC's portfolio to 22.49% in the first half of 2019, compared to 19.35% in 2016. Gas turbines have reduced their share to 17% in the first half of the year compared to nearly 23% in 2016. Combined cycle has also raised its share to 13.33% (compared to 11.95% in 2016).

Renewable energy still contribute a small portion of energy source for the SEC, but that would change as the kingdom has announced plans to seek between USD 30 billion and USD 50 billion in investments by 2023 to help meet the 9.5 GW target for solar and wind energy.

According to the Arab Petroleum Investment Corporation, projects with a combined capacity of 16,930 MW are being built in the kingdom.

The private sector is stepping up to invest in the country's renewable energy sector and taking advantage of the conducive environment in the country.

Indeed, independent power projects have been playing an increasing role in the kingdom's power-generating sector over the past decade with non-SEC capacity represents around 30% of the country's total, Apicorp said.

"IPPs in the kingdom provided a quick solution to the problem of rising demand, along with several other benefits to the government," APICORP said.

VC FIRMS LEND A HELPING HAND TO SAUDI START-UPS

Saudi Arabia's venture capital firms are teaming up to nurture small and medium enterprises (SMEs) and create new national champions.

In October, Saudi Telecom Co (STC) signed a co-operation agreement with Badir Technology Incubators and Accelerators Program to support technology start-up projects through innovative solutions.

"STC Business provides small- and medium-sized enterprises (SMEs) with a wide range of services including setting up infrastructure and providing technical services on a daily basis such as phone and internet connection as well as advanced services, including the Internet of Things (IoT), cloud computing, cybersecurity solutions, and sales management," according to a company statement.

Badir Technology, which was started in 2007 by King Abdulaziz City for Science and Technology, aims to contribute to the kingdom's technology start-up scene by providing telecommunication services and digital solutions.

Badir Technology raised nearly SAR 110 million (USD 29.32 million) across 63 funding deals last year – making it a record year. Individual investors topped the list of funding deals, followed by private companies, venture capital firms and governmental institutions.

Individual investors, who were the most active in terms of funding size, pumped SAR 40.69 million (USD 10.85 million) into start-ups last year followed by private sector companies investing SAR 35.20 million (USD 9.39 million). Venture capital firms invested SAR 30.68 million (USD 8.18 million) while government funding into start-ups reached SAR 3.54 (USD 944.533), the company said.

HELPING START-UPS SECURE FUNDING

"The Saudi start-up industry is seeing bright prospects with funding activity gaining pace in the second half of 2018," said Nawaf Al Sahhaf, Badir CEO, in a statement: "I am optimistic that we will see the surge in investments and opportunities in the seed round and angel funding for start-ups this year. Series A and Series B are bullish as well, given the thriving and expanding Saudi start-up industry."

"With the increased awareness campaign for the incubator programmes, we were able to reap better results with more funding from the anticipated quarters. Saudi start-ups have a wide range of financing options as funding volumes in the local market has increased steadily, with a lot of fresh money flowing into seed and early-stage companies," he added.

The programme has targeted the creation of 600 start-ups and 3,600 jobs by 2020 by focusing on expanding its innovation and entrepreneurial hubs across the kingdom.

Meanwhile, Business Incubators and Accelerators Company (BIAC), a unit of the Saudi Technology Development and Investment Company (TAQNIA), which is by the Public Investment Fund, also announced that it signed four agreements to provide support to technology start-ups in the fields of finance, telecommunication, health insurance, and travel and tourism. BIAC signed the four agreements with Social Development Bank (SDB), Saudi Telecom Company (STC), Al-Mosafer, and Bupa Arabia for Cooperative Insurance Company.

Separately, UnitX, an artificial intelligence (AI) and supercomputing start-up spin-out company from King Abdullah University of Science and Technology (KAUST), secured USD 2 million of co-investment from the KAUST Innovation Fund and Saudi Aramco's Wa'ed Ventures fund.

"This injection of joint funding will support UnitX in its quest to democratise supercomputing and help enterprises of all sizes leverage technologies such as high-performance data analytics to make data-driven decisions, reduce IT spending, innovate and become globally competitive," the companies said.

The kingdom is emerging as one of the fastest-growing start-up and venture capital markets in the MENA region.

A September 2019 report from MAGNiTT, which tracks regional start-up deals, noted an 82% increase in year-on-year funding in the first six months of 2019, with a 44% rise in deal volumes and a total of USD 40 million invested into Saudi Arabia-based start-ups. This follows USD 48 million-worth of investment ploughed into start-ups in 2018 across 34 VC deals.

CREDIT TO SMES

Credit facilities to micro, small and medium enterprises have risen this year to 6.2%, compared to 6% last year. Saudi financial services provides loans of around SAR 113 million each in the first two quarters of the year, according to data from the Saudi Arabian Monetary Authority.

Banks have raised their exposure to SMEs to 5.9% of their total in the second quarter to around SAR 105.15 million, marginally higher than the SAR 105 million loaned in the first quarter (also 5.9% of total).

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ECONOMIC VOLATILITY BRINGS SHINE BACK TO GOLD

Gold finally broke out this summer from the USD 1,100- to USD 1,350-per-ounce rate in which it had spent most of the past 3.5 years, following the US Federal Reserve's move to pause its tightening cycle.

Gold is up 17% in the first nine months of the year, its best performance since 2010. Gold equities have outperformed gold significantly this year, rising 41%, but still lagging the 2016 increase of 51%.

Indeed, the yellow metal is emerging as a hedge against negative interest rates. The level of negatively yielding debt has surged massively over the past years and now totals USD 15 trillion.

In addition to macroeconomic uncertainty including global economic slowdown, trade tensions and geopolitical risks, central banks are likely to maintain easier monetary policy for longer, which is positive for gold. The value of gold is preserved against negative interest rates and its supply is highly constrained, compared to central banks' ability to quickly adopt dovish monetary policies.

"The gloomier economic prospects and expectation of continuing low rates are favouring gold prices," according to S&P Global Ratings. "We're moving our price assumptions up to USD 1,400 per ounce in 2020 and 2021."

OTHER COMMODITIES

S&P Global Ratings is revising its forecast for other commodities, too.

"We're lowering copper price assumptions to USD 6,000/tonne in 2020 from USD 6,500/tonne due to diminishing global trade flows and expected slower economic growth," the ratings agency said.

"For the same reasons, along with additional low-cost production coming into the market soon, we're revising down our zinc price assumptions to USD 2,300/tonne in 2020. Finally, we're raising our nickel price assumptions to USD 15,000/tonne in 2020, because Indonesia's export ban has caused prices to soar lately."

Much of the demand for metals will be driven by Asian economies, notably China, which is slowing down.

The World Bank noted that growth in the East Asia and Pacific region is projected to slow from 6.3% in 2018 to 5.9% in 2019 and 2020 – the first time since the 1997-1998 Asian financial crisis when growth in the region has dropped below 6%.

"In China, growth is expected to decelerate from 6.6% in 2018 to 6.2% in 2019, predicated on a deceleration in global trade, stable commodity prices, supportive global financial conditions, and the ability of authorities to calibrate supportive monetary and fiscal policies to address external challenges and other headwinds," the World Bank underscored in its latest forecast on the global economy.

However, the Chinese government will launch stimulus packages to boost the economy, and ensure healthy demand for steel, copper, iron ore and other industrial metals.

"Our Chinese economist expects that infrastructure stimulus will double from CNY 2 trillion to CNY 4 trillion, helping to fill the gap of lost exports and related supply chain disruptions from the trade war," according to investment bank ING Bank NV. "This ties in with China Railway Corporations' target for 2019, as it plans to put a total of 6,800 kilometres of new track into service – 45% higher than in 2018. This can also be seen in the total fix assets investment in the railway sector, which grew by 14.1% YoY in H1," according to the National Statistics Bureau.

Crude oil prices are dependent on demand from emerging economies such as Asia. The Organization of the Petroleum Exporting Countries (OPEC), said it had revised world oil demand growth for the rest of 2019 to marginally down by 0.04 million barrel per day (bpd) due to lower demand in OECD Americas and Asia Pacific.

"In 2020, world oil demand is forecast to grow by 1.08 million bpd, in line with last month's projections," OPEC said in its October report. "OECD countries are anticipated to add 0.07 million bpd to global oil requirements in 2020, while non-OECD countries are projected to be the largest contributor to world oil demand growth by adding an estimated 1.01 million bpd, both unchanged from last month's projections. As a result, total world oil demand is anticipated to average 99.8 million bpd in 2019 and 100.88 million bpd in 2020."

MA'ADEN'S INTERNATIONAL FORAY

In late August, Ma'aden, Saudi Arabia's largest metals and mining company, said it had completed its first international acquisition through the 85% share purchase of Meridian, the Mauritius-based fertiliser distribution group for USD 140 million.

"The acquisition is an important milestone for Ma'aden as the company executes its strategy to build global distribution channels for fertiliser products," the company said. "This will strengthen Ma'aden's position as one of the world's largest producers and exporters of phosphate fertilisers and increase its contribution to global food security in key agricultural areas worldwide."

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