



# Weekly Economic Update

---

## Contents

- Recent Macroeconomic Developments
- Commodities
- Currencies
- Capital Markets
- Miscellaneous



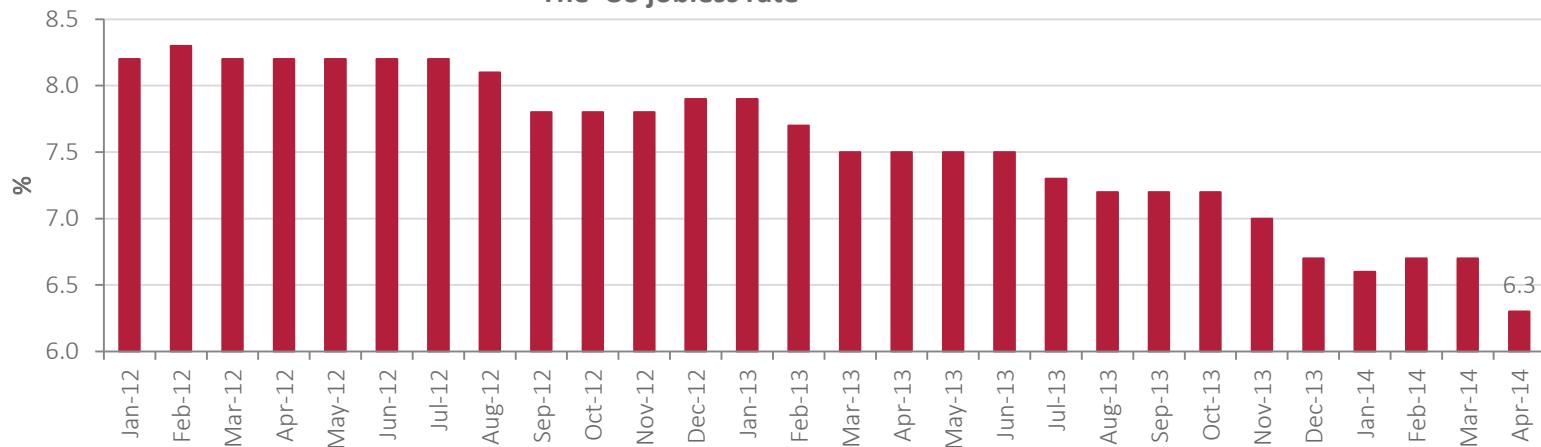
## Recent Macroeconomic Developments

### GLOBAL

#### ❖ US jobs growth accelerates, unemployment rate shrinks

- The US economy created 288,000 new jobs in April, the strongest non-farm payroll figure in 16 months, pointing to a rebound in economic growth after a calamitous winter that produced a dismal 0.1% growth rate of real GDP in the first quarter of this year.
- The overall US unemployment rate fell down markedly to 6.3% in April, the lowest jobless rate since 2008, and lower than the 6.6% predicted by economists. Analysts have, however, alluded the decline in the unemployment rate to the large number of people dropping out of the labour force. Even so, the robust job creation pace will give a big boost to the Federal Reserve that is determined to end its asset buying programme this year which now stands at \$45 billion per month.
- The improvement in the US labour market is also mirrored across the Atlantic by the European countries as analysts expected to see a fall in the unemployment rate in the Euro currency area to around 10% in April, down from 10.5% in the preceding month. Economic growth outlook for 2014 in the 18-member bloc is, however, expected to remain at 1.2%.

The US jobless rate



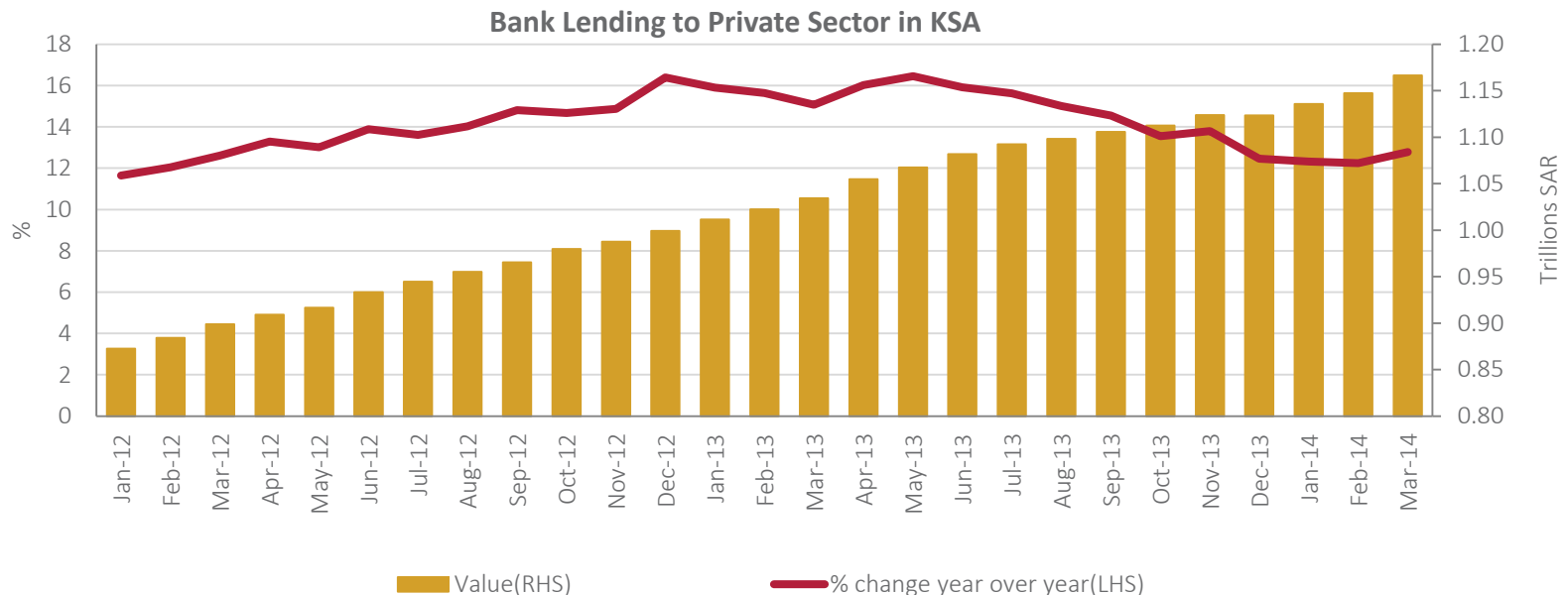
Source: Thomson Reuters

## Recent Macroeconomic Developments

### GCC

#### ❖ Bank lending to private sector edges up in KSA

- Bank lending to the private sector in the Kingdom of Saudi Arabia (KSA) continues to trend up, albeit at a slow pace, as the total credit to the sector rose by 1.7% in the month of March 2014. In terms of annual claims on the private sector, however, the figure rose markedly by 12.8% in March, compared with the same month a year ago.
- The bulk of lending to the private sector was on account of the manufacturing and construction sectors as they were the largest recipients of new funds from banks in the first quarter of this year.
- Needless to say, however, the banking industry in the Kingdom will continue to play a crucial role in the expansion of private sector activities not only in Saudi Arabia but also in the wider GCC region.

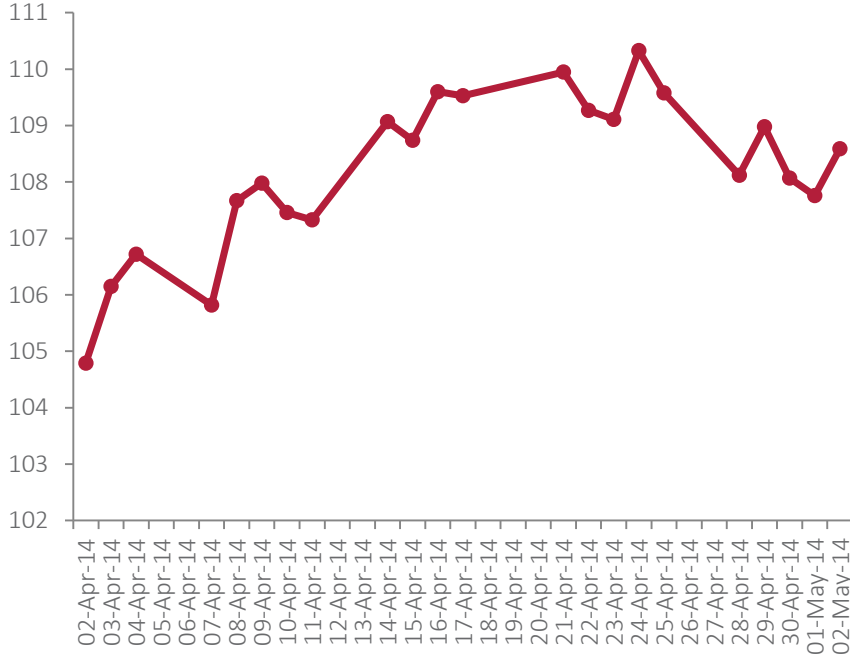


Source: Thomson Reuters; Gulf One Investment Bank

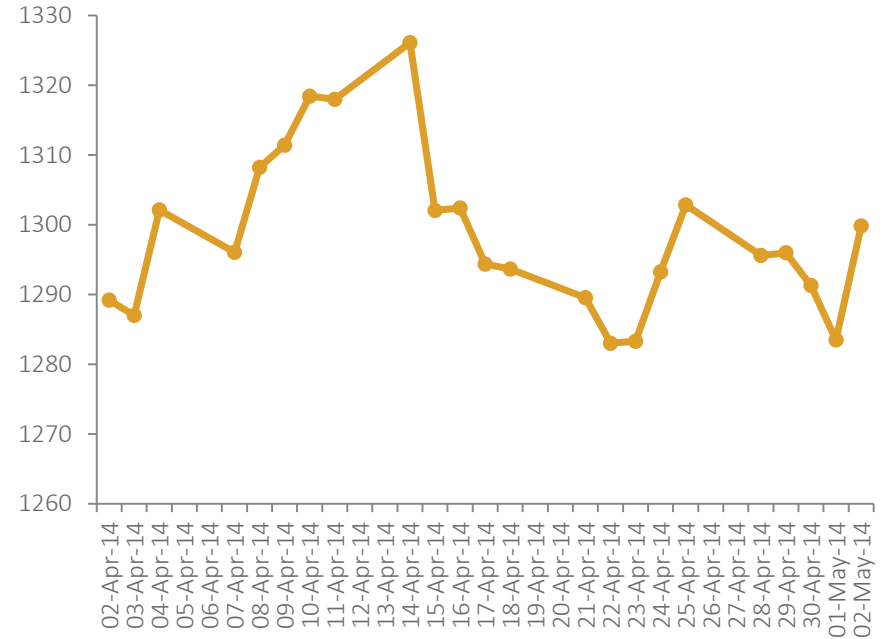


# Commodities

### Brent Oil Price (US\$/barrel)



### Gold Price (US\$/ounce)



## As May 02, 2014 (US\$)

Brent Oil (barrel)

## Current

108.59

## Week Ago

109.58

## Weekly Change

-0.90

Gold (ounce)

1299.82

1302.84

-0.23

Silver (ounce)

19.46

19.61

-0.76

Copper (pound)

3.02

3.05

-0.98

Aluminium (kilo)

1.73

1.84

-5.98

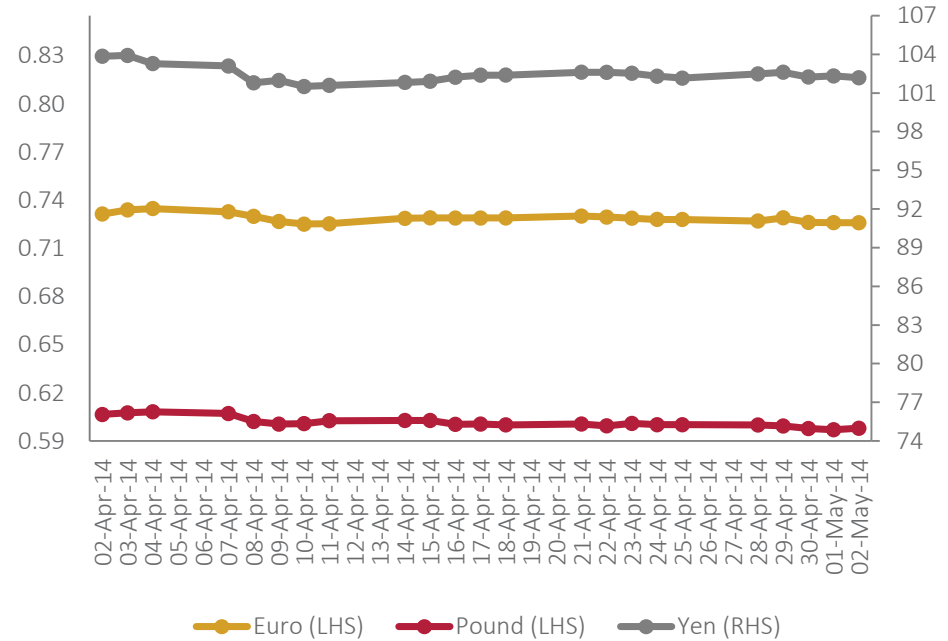
Source: Thomson Reuters



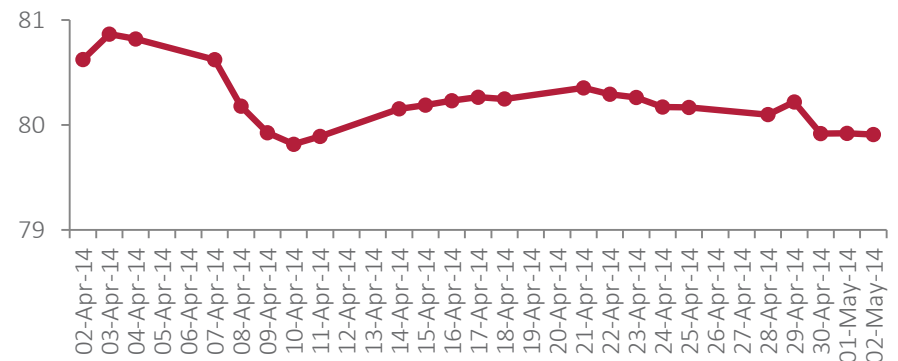
# Currencies

	Current (02 May 2014)	Week Ago	Weekly Change
International	\$1	\$1	(%)
Euro	0.721	0.723	-0.277
GBP	0.593	0.595	-0.336
Yen	102.180	102.150	0.029
CNY	6.259	6.253	0.096
INR	60.170	60.640	-0.775
CHF	0.878	0.882	-0.454
<b>GCC</b>			
AED	3.670	3.670	0.000
BHD	0.380	0.380	0.000
KWD	0.281	0.281	0.000
OMR	0.390	0.390	0.000
QAR	3.640	3.640	0.000
SAR	3.750	3.750	0.000

### Euro, Yen & Pound vs. Dollar



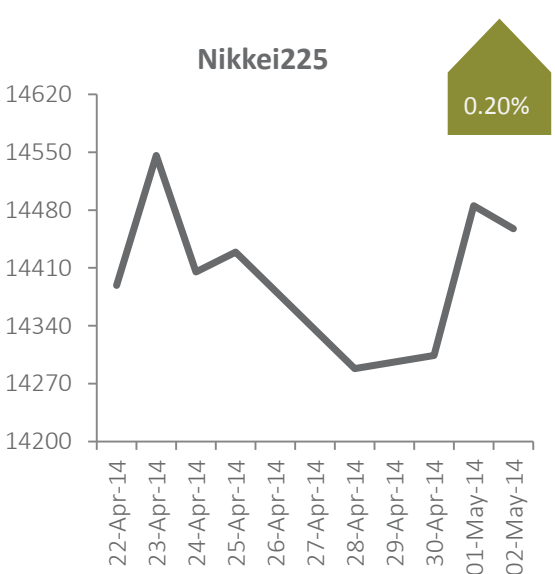
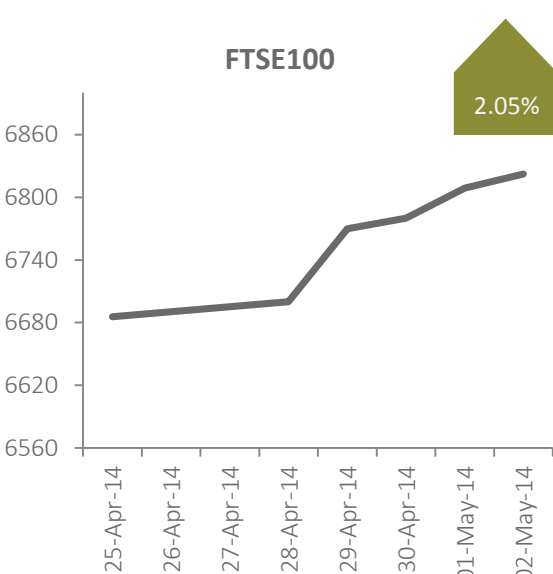
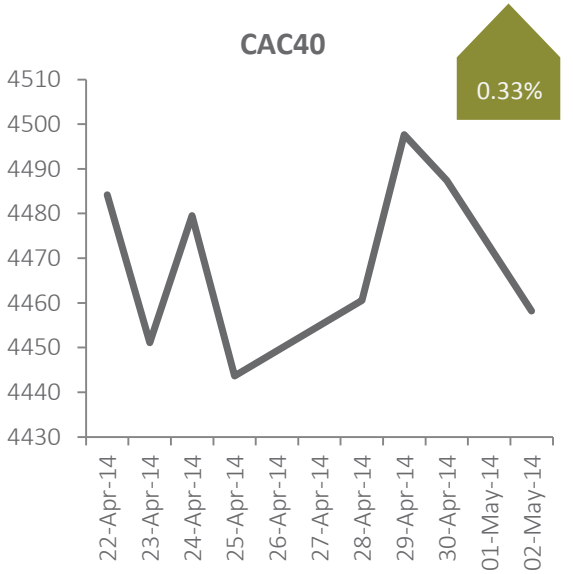
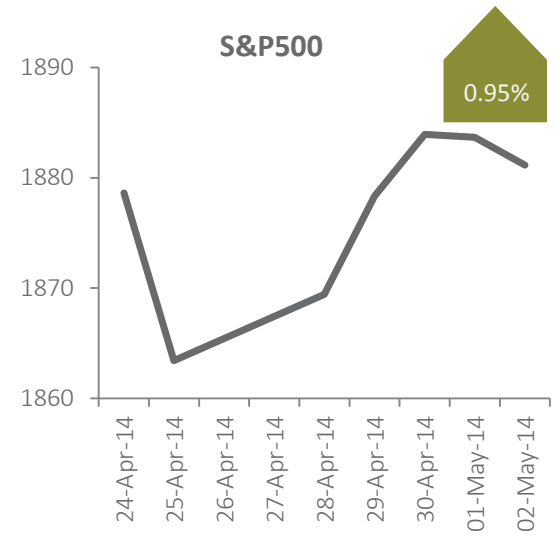
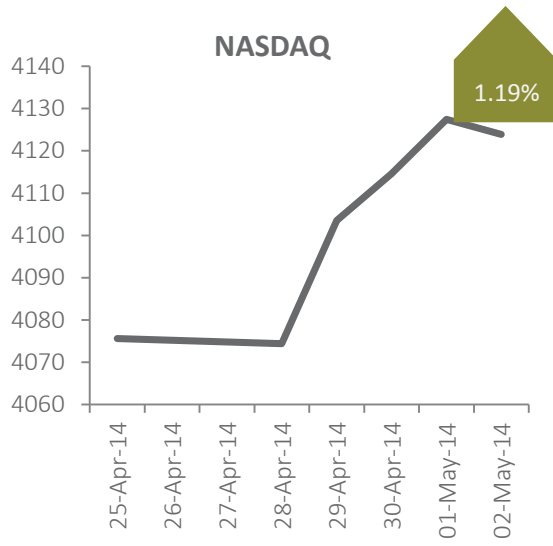
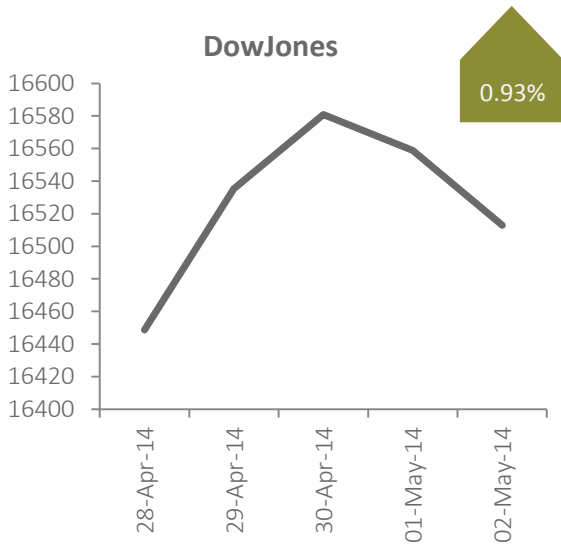
### The Dollar Index



Source: Thomson Reuters

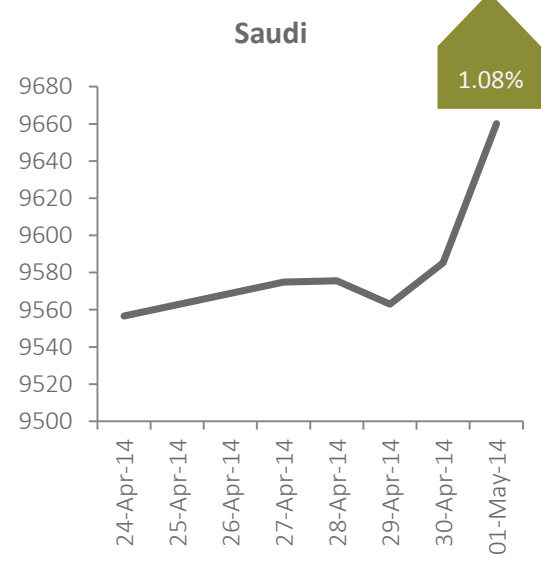
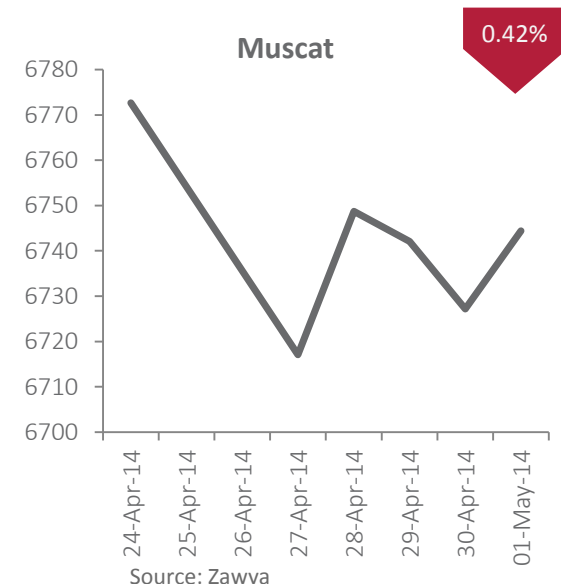
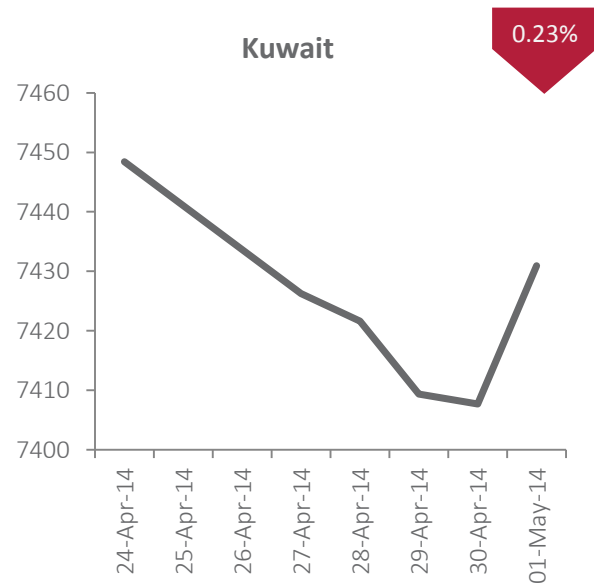
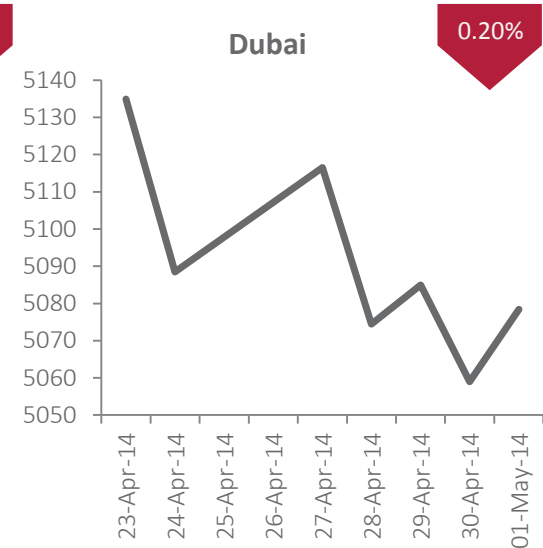
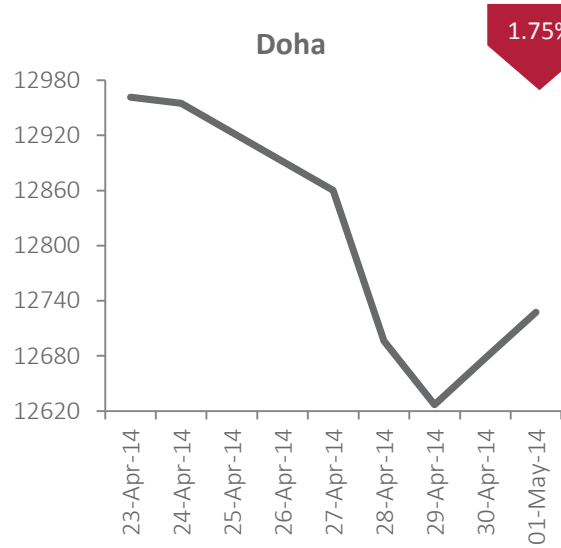
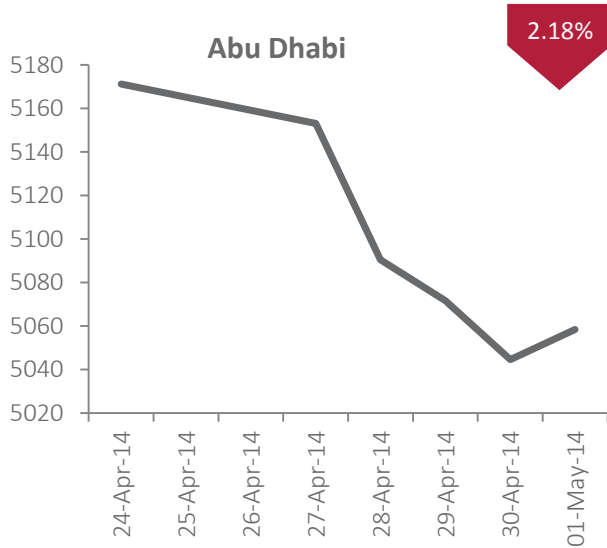


# Stock Markets



Source: Thomson Reuters

# Stock Markets



Source: Zawya

## Stock Markets

Stock Exchange	Current (02 May)	A Week Ago	Weekly Change (%)
Dow Jones (US)	16,513	16,361	0.93
Nasdaq (US)	4,124	4,076	1.19
S&P500 (US)	1,881	1,863	0.95
CAC40 (FR)	4,458	4,444	0.33
FTSE100 (UK)	6,822	6,686	2.05
Nikkei225 (JP)	14,458	14,429	0.20
Abu Dhabi	5,058	5,171	-2.18
Bahrain	1,427	1,419	0.60
Doha	12,728	12,955	-1.75
Dubai	5,078	5,088	-0.20
Kuwait	7,431	7,448	-0.23
Muscat	6,744	6,773	-0.42
Saudi Arabia	9,660	9,557	1.08

Source: Thomson Reuters and Zawya



## Gulf Projects

	Projects planned or under way	Projects planned or under way	Change on week (%)	Projects planned or under way	Change on year (%)
	29-Apr-14	15-Apr-14		30-Apr-13	
	(\$m)	(\$m)		(\$m)	
<b>Bahrain</b>	56,974	55,866	1.98	63,313	-10.01
<b>Kuwait</b>	207,353	200,487	3.42	188,563	9.96
<b>Oman</b>	147,332	150,943	-2.39	135,932	8.39
<b>Qatar</b>	275,972	276,522	-0.20	240,094	14.94
<b>Saudi Arabia</b>	1,086,400	1,083,826	0.24	911,827	19.15
<b>UAE</b>	731,776	732,838	-0.14	662,252	10.50
<b>GCC</b>	2,505,807	2,500,482	0.21	2,201,981	13.80
<b>Iran</b>	217,252	217,252	0.00	259,542	-16.29
<b>Iraq</b>	529,242	524,826	0.84	500,567	5.73
<b>Gulf Total</b>	3,252,301	3,242,560	0.30	2,969,478	9.52

Source: MEED

## Gulf One Investment Bank Weekly Economic Update

Gulf One Investment Bank B.S.C. (c)(Gulf One) is a leading knowledge-based investment bank that is focused on providing professional and high-quality infrastructure related investments for the MENA (Middle East and North Africa) region. Its mission is to mobilise local and global capital to accelerate the realisation of infrastructure projects and corporatisation through innovative financial solutions. Gulf One was jointly founded in 2006 by Dr. Nahed Taher, Co-Chief Executive Officer (Co-CEO), and Mr. Ziyad Omar, Co-Chief Executive Officer (Co-CEO). Headquartered in Bahrain, Gulf One operates under a conventional wholesale banking licence granted by the Central Bank of Bahrain (CBB), CR 62199. [www.gulf1bank.com](http://www.gulf1bank.com).

This Weekly Economic Update has been prepared by staff in the Research Department of Gulf One under the general direction of Dr. Nahed Taher. The Research team comprises:

**Dr. Mohammed Salisu**

Chief Economist  
Gulf One Investment Bank  
[m.salisu@gulf1bank.com](mailto:m.salisu@gulf1bank.com)

**Ms. Lobna Bousrih**

Research Analyst  
Gulf One Investment Bank  
[l.bousrih@gulf1bank.com](mailto:l.bousrih@gulf1bank.com)

All comments and enquiries about this Weekly Economic Update should be sent to Dr. Mohammed Salisu at the above e-mail address.

**Disclaimer**

This Weekly Economic Update was prepared by Gulf One Investment Bank B.S.C.(c)(Gulf One) and is of a general nature and is not intended to provide specific advice on any matter, nor is it intended to be comprehensive or to address the circumstances of any particular individual or entity. This material is based on current public information that we consider reliable at the time of publication, but it does not provide tailored investment advice or recommendations. It has been prepared without regard to the financial circumstances and objectives of persons and/or organisations who receive it. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation. In addition, the views expressed in this Economic Update do not necessarily represent the views of the Management or Board of Directors of Gulf One. This Weekly Economic Update or any portion hereof may not be reprinted, sold or redistributed without the prior written consent of Gulf One.