Qatar and US bilateral trade reaches $29.6bn over five years

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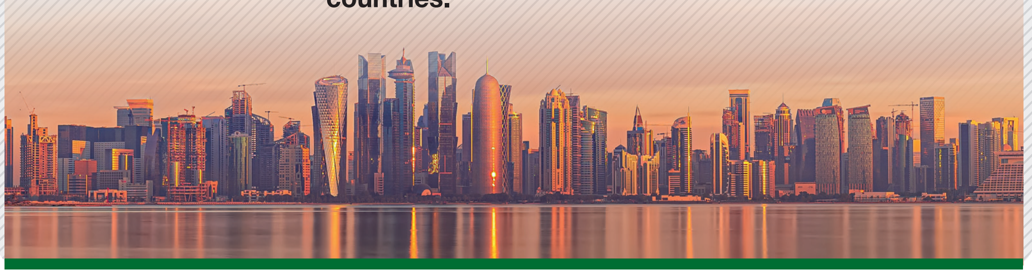
- The economic partnership between the two sides is founded on firm political relations and close, constructive ties between the leaderships of both countries.



DOHA: Minister of State for Foreign Trade H E Dr. Ahmed bin Mohammed Al-Sayed and US Under Secretary of State for Economic Growth, Energy, and the Environment H E Jacob Helberg chaired the Economic Session held as part of the Seventh Qatar–United States Strategic Dialogue, which was convened in Washington, DC.

Participation in the session included a high-level Qatari delegation comprising representatives from the Ministry of Commerce and Industry, the Ministry of Communications and Information Technology, the Ministry of Finance, the Qatar Investment Authority, Invest Qatar, the Qatar Fund for Development, and the Qatar Development Bank.

During his opening remarks, the Minister of State for Foreign Trade affirmed that the Strategic Dialogue represents a practical and pivotal platform contributing to transforming the strategic alignment between the State of Qatar and the United States into tangible economic outcomes, noting that the economic partnership between the two sides is founded on firm political relations and close, constructive ties between the leaderships of both countries.

Within this context, His Excellency indicated that the volume of bilateral trade between the two sides reached approximately $29.6bn over the past five years, supported by long-term investment plans and economic exchange, and clarified that this partnership reflects the complementary strengths of the Qatari and US economies across a number of vital sectors, including technology and artificial intelligence, innovation and advanced industries, aviation, energy, infrastructure, and emerging technologies, affirming that such complementarity opens broad prospects for economic cooperation in the coming phase.

Emphasis was also placed by the Minister of State for Foreign Trade on the role of the advanced economic partnership between the State of Qatar and the United States in creating a conducive environment for strengthening industrial and investment cooperation, developing integration across strategic supply chains and advanced technologies, supporting long-term investments, enhancing sustainable growth opportunities, and serving the shared economic interests of both countries.

A number of priority topics were discussed during the session, focusing on enhancing bilateral investment flows, expanding cooperation in emerging technologies, developing digital and regulatory frameworks, and improving trade facilitation.

Further discussion addressed opportunities to deepen cooperation in the areas of artificial intelligence and advanced technologies, digital trade and services, the development of trusted technological systems, strengthening regulatory alignment, and developing capabilities, in a manner that supports the competitiveness of the Qatari and US economies at both the regional and international levels.

The conclusion of the session reaffirmed the commitment of both sides to continue joint efforts to strengthen the strategic partnership and to advance economic, trade, and investment cooperation toward broader horizons, in a way that serves the mutual interests of the two countries.

Qatar committed to further boost innovation and AI technology

DEEPAK JOHN
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DOHA: Qatar is committed to advance innovation and artificial intelligence (AI) technologies by promoting collaboration between government and private sector and positioning the country as a regional hub, for AI development.

Speaking to *The Peninsula* on the sidelines of the recently held World Summit AI – Qatar 2025, Nizar Hneini **(pictured)**, Senior Partner and Middle East Managing Director at Roland Berger highlighted several initiatives taken by the country to advance its goals.

Regarding digital innovation and AI, he pointed out the region is at a turning point. "With the advent of AI, we have a chance in the region, specifically in the Gulf Cooperation Council (GCC), to set the trends for the future. According to rough estimates for the contribution of AI in GDP in the GCC is between 8 percent and 12 percent.

"Few countries globally have articulated AI ambitions at this scale. So we really are using the technology to leapfrog and to advance the national agendas," he said.

Qatar has holistic programmes around its national strategies from upskilling to having the right data foundation to the right operating models to bringing the right infrastructure to ensure the adoption of the technology is the right one, and the use cases serve the citizens.

Hneini pointed out the country has been leading in certain aspects, like it had the first law on data in 2016 and amended it in 2021 which shows Qatar has seen the importance of technology early on in line with its national vision. It also has the Digital Agenda 2030 around the topics such as infrastructure, digital economy, collaboration, government services, enabling private sectors, and innovation startups.

Replying to a query about challenges of AI, Hneini said, "Our role as thought leaders is to make sure that the good side of technology prevails, or at least we manage the risks of the misuse of technologies.

"We have seen a lot of cases where AI is misused. The risks go from unintentional because of model hallucinations that could lead to big challenges and issues in implementing use cases to intentional manipulation of models, data poisoning that could risk major use cases. So having the right data foundations, the right regulation is paramount," he added.

Hosting events like the World Summit AI 2025, MWC25 Doha, and Web Summit shows that the country is not only becoming an epicenter for AI activity but also technology in general.

He said, "Qatar has announced early investments and support for quantum-focused startups. So the country is spotting the right tech trends and pushing for putting the right regulations and infrastructure, to build sustainable development in these emerging technologies."

During the summit, Roland Berger unveiled a study for the region on AI. Hneini pointed out that the main take away from the study is that ambition is way ahead of the current status and what operations is delivering in AI. "This calls for a moment of review of the strategies we are building and ensure that they go to the right depth and generate the right initiatives," he said.

US consumer sentiment rises slightly in December

NEW YORK: The U.S. Consumer Sentiment Index released Friday by the University of Michigan (UM) Surveys of Consumers rose to 52.9 in the December 2025 survey, up from 51 in November but below last December's 74.

Consumer sentiment remains nearly 30 percent below December 2024, in large part due to continued concerns about pocketbook issues, particularly the strain of high prices and the prospect of further weakening of labor markets, said Joanne Hsu, director of the UM's Surveys of Consumers.

The Current Economic Conditions Index fell to 50.4, down from 51.1 in November and below last December's 75.1. The Index of Consumer Expectations rose to 54.6, up from 51 in November and below last December's 73.3.

About 47 percent of consumers spontaneously mentioned that high prices are weighing down their personal finances, unchanged from November and well above the 35 percent seen a year ago.

High prices as well as the impact of tariffs continue to be top issues for consumers when it comes to major purchases, the survey shows.

Throughout 2025, consumers have anticipated that a deterioration in labor markets loomed ahead. In December, about 63 percent of consumers expected unemployment to worsen in the year ahead, up from 40 percent a year ago.

"The escalation of tariffs in this past spring spurred fears of catastrophic inflation among consumers," Hsu said. "While those fears abated as tariff policy have since eased, consumers are still expecting inflation to remain elevated for the foreseeable future, thus diluting the potential purchasing power of their budgets." — ***XINHUA***

Oil prices climb as US blocks Venezuelan tankers

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DOHA: Oil prices edged up on Friday on possible disruptions from a US blockade of Venezuelan tankers as the market waits for news about a possible Russia-Ukraine peace deal.

Brent crude futures settled at $60.47, while US West Texas Intermediate (WTI) crude finished at $56.66. For the week, Brent fell 1.1% and WTI fell 1.4%, noted Al-Attiyah Foundation in its Weekly Energy Market Review.

As US President Donald Trump seeks an end to Europe's deadliest conflict since World War Two, the onus was on Ukraine and Europe to make the next move toward peace.

Meanwhile, US Secretary of State Marco Rubio on Friday told reporters that the United States is not concerned about an escalation with Russia when it comes to Venezuela, as the Trump administration builds up military forces in the Caribbean. Venezuela pumps about 1% of global oil supplies.

Asian spot liquefied natural gas (LNG) prices slipped to a fresh 20-month low this week, weighed by weak demand in the region and ample supplies. The average LNG price for February delivery into north-east Asia was $9.50 per million British thermal units (mmBtu), down from $10.00 per mmBtu last week, industry sources estimated.

Firm Chinese pipeline gas supplies and strong Japanese renewable power generation contributed to LNG demand weakness. The dip in prices had spurred some buying from price-sensitive importers last week.

In Europe, the Dutch TTF price settled at $9.68 per mmBtu, recording a weekly gain of 2.3%.

An offshore worker inspecting with tablet drilling rig for exploration of minerals for oil, gas.

QNB: Copper's outlook remains supported by strong structural forces

DOHA: Qatar National Bank (QNB) confirmed that copper is currently entering a clearly defined phase of structural transformation in global commodity markets.

In its weekly commentary, QNB noted that despite cyclical volatility and macroeconomic pressures, the metal remains attractively valued in real terms. Copper continues to benefit from long-term momentum driven by the global energy transition and the rapid expansion of AI-powered digital infrastructure.

The commentary highlighted that supply growth remains constrained due to weak capital expenditure and regulatory complexities, reinforcing the likelihood that copper will remain at the forefront of commodities linked to long-term structural transformations.

It identified three main factors underpinning the strength of copper prices over the medium and long term. The first is limited supply growth. Recent months have revealed fragility on the supply side, with production disruptions at several major mines and successive downward revisions to output guidance by global mining companies. At the same time, capital investment in the copper sector remains below required levels, whether relative to projected demand or the aging profile of existing mines.

These constraints were attributed to difficulties in obtaining permits, lengthy regulatory processes, rising political risks in some producing countries, and shareholder pressure on companies to maintain strict capital discipline.

Copper continues to benefit from long-term momentum driven by the global energy transition and the rapid expansion of AI-powered digital infrastructure.

The commentary expected that supply would take years to catch up with rising demand, increasing the likelihood that copper prices will need to remain elevated to balance the market.

Regarding the second factor, the bank pointed out that artificial intelligence represents a powerful new source of demand for copper. Advanced data centers, high-performance computing, and semiconductor manufacturing are extremely electricity intensive, necessitating large investments in power grids, substations, and transmission systems, all of which rely heavily on copper.

The commentary added that data centers themselves are highly copper intensive, whether in wiring, cooling systems, or backup power infrastructure. As global adoption of AI applications accelerates, this sector could become one of the fastest-growing sources of copper demand in the coming years, potentially rivaling electric vehicles (EVs).

The third factor relates to the global energy transition, which represents a long-term pillar of copper consumption. Electrification is central to decarbonization strategies, and copper forms the backbone of this transition.

The commentary explained that renewable energy sources require significantly more copper than fossil fuel-based technologies. In addition, upgrading and expanding power grids, as well as building energy storage and charging systems, all depend on substantial copper inputs.

It also noted that rapid growth in electric vehicle demand is boosting copper consumption, as EVs require several times more copper than conventional vehicles, in addition to the associated charging infrastructure.

Despite the notable rise in prices recently, the commentary observed that copper remains far from being overvalued from a historical, inflation-adjusted perspective. When adjusted for inflation, copper has underperformed several other metals, indicating scope for further price appreciation without undermining demand.

The commentary concluded that taken together these factors support a solid and resilient medium- to long-term outlook for copper prices. — ***QNA***

Muscat Securities Market capitalisation drops OMR55.9m

MUSCAT: The market capitalization of Muscat Securities Market (MSM) shed OMR55.9m to reach OMR32.143bn by the close of last week's trading.

The market came under pressure from profit-taking sales, which weighed on a number of blue-chip stocks and trimmed earlier gains. As a result, share prices of 39 securities declined, compared with 36 that advanced, while 20 securities closed unchanged. Losses among leading stocks dragged the main index down by 8 points to close at 5,941 points, although it remains at its highest level in nine years.

The financial sector index posted the steepest losses, falling by 70 points after losing support from banks and investment companies. In contrast, the Sharia-compliant index rose by two points to close at 524 points.

Industrial companies listed on the Muscat Stock Exchange extended their gains last week, supported by positive sentiment surrounding the signing of the Comprehensive Economic Partnership Agreement with India. The agreement is expected to boost bilateral trade, create new opportunities for Omani industrial firms to export to Indian markets, and benefit from reduced trade barriers.— ***QNA***

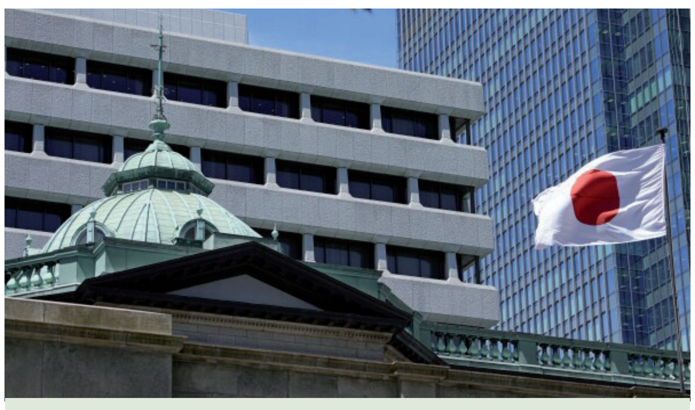
Bank of Japan hikes interest rates to 30-year-high

TOKYO: The Bank of Japan hiked interest rates to a 30-year high and indicated more were in the pipeline as it said the economy had shown signs of improvement.

The unanimous vote to lift the main borrowing rate to 0.75 percent from 0.5 percent came hours after official data showed the country's core inflation rate held steady in November but was still well above policymakers' two percent target.

The bank began hiking rates from below zero in March last year as figures signalled an end to the country's "lost decades" of stagnation, with inflation surging. However, with worries about the global outlook and US tariffs growing, it paused, with the last increase in January taking rates to their highest level in 17 years.

"Uncertainties over the US economy and its tariff policy are still remaining, but declining" compared with the last policy meeting in October, BoJ governor Kazuo Ueda told reporters.


A Japanese flag flutters at the Bank of Japan headquarters in Tokyo, Japan.

Next year's annual wage hike negotiations will likely see sound increases, and the "possibility is high that the mechanism of a gradual rise in both wages and prices will continue" in line with the bank's main scenario of economy and prices, Ueda said when asked about reasons for the rate hike.

"Japan's economy has recovered moderately," bank officials wrote in a report released after the decision.

As long as economic activity and prices improved, they added, the bank would "continue to raise the policy interest rate and adjust the degree of monetary accommodation". While Friday's increase was widely anticipated by analysts, "the board's hawkish messaging suggests that the tightening cycle has further to run", said Abhijit Surya of Capital Economics.

"Our own view is that the incoming data are more likely than not to surprise to the upside of the BoJ's expectations," Surya added, forecasting rates will reach 1.75 percent in 2027.

The next timing and pace of rate hikes "depend on conditions of economy, prices, and financial situations", Ueda told reporters. The yen weakened against the dollar after the announcement, which puts rates at their highest since 1995.

The yen has been under pressure in recent years mainly because of the big difference between US and Japanese rates.

The cheap yen has been blamed for pushing up import prices, contributing to inflation in Japan. "Several board members pointed out that the recent cheaper yen is having an upward impact on import prices and domestic prices," Ueda said.

Yields on Japanese government bonds have spiked in recent weeks on worries about Prime Minister Sanae Takaichi's budget discipline, while the yen has weakened.

On Friday the yield on the benchmark 10-year Japanese government bond rose to 2.01 percent, its highest since 1999.

The core consumer price index -- which excludes volatile fresh food came in at three percent in November, the same rate as the previous month and in line with expectations. However, it is well above the BoJ's two percent goal, as it has been for some time.

Takaichi, who formally took power in October, has made fighting inflation a major priority.

Her government this week succeeded in getting parliament approval for an extra budget worth 18.3 trillion yen ($118bn) to finance a massive stimulus package. She has long advocated for more government spending and loose monetary policy to spur growth.

Since taking office, however, she has said monetary policy decisions should be left to the BoJ. The inflation figures for November showed rice prices jumped 37 percent year-on-year, the internal affairs ministry said.

The cost of the grain has skyrocketed because of supply problems linked to a very hot summer in 2023 and panic-buying after a "megaquake" warning last year, amongst other factors.

Japan's economy contracted 0.6 percent in the third quarter, but Ueda said last week that the impact of US tariffs was less than feared.

"So far, companies have swallowed the burden of tariffs" but in the future could pass them through to consumer prices, which the bank "will monitor," Ueda said. — ***AFP***

Bundesbank predicts slower German economic rebound in 2026

BERLIN: Germany's central bank on Friday slightly lowered its growth forecast for next year in Europe's largest economy, predicting a slower recovery after three years of stagnation.

The Bundesbank now predicts GDP will expand by 0.6 percent in 2026, down from a June forecast of 0.7 percent. Growth is expected to pick up to 1.3 percent in 2027, it said.

Bundesbank President Joachim Nagel said that next year's recovery will be driven by "public spending and a rebound in exports," as major government outlays on infrastructure and the military start impacting the broader economy.

Nagel said early signs of that added spending can already be seen in the economy, but it will "only provide more significant support for economic growth in the course of the coming year".

The central bank chief said companies will also likely increase investments, despite global uncertainty, and the economic expansion "will intensify significantly on an annual basis in 2027".

The Bundesbank's 2026 forecast remains lower than others the International Monetary Fund (IMF) projects 0.9 growth, while several German economic institutions have forecast growth of around one percent.

Germany, long seen as Europe's economic engine, has faced struggles as exports have been battered by tariffs, trade clashes and intensifying competition from Chinese rivals.

The country experienced two years of recession in 2023 and 2024 and is expected to post minimal growth this year of just 0.2 percent, according to the Bundesbank.

Carsten Brzeski, an economist at ING, said the Bundesbank might be overly pessimistic about the chances of a rapid recovery in the coming year. Brzeski said the central bank appears to be "underestimating the ketchup bottle effect" of all the extra government spending: "Nothing happens for a long time, but then suddenly everything shoots out."

Germany loosened strict rules on public debt earlier this year, enabling Chancellor Friedrich Merz's government to set aside hundreds of billions for infrastructure spending.

Merz has also committed to dramatically increasing military spending in the face of a hostile Russia, with the goal of fielding NATO's largest conventional army in Europe.

Nagel said growth is forecast to continue in 2028 at 1.1 percent but will lose some momentum, as a shortage of skilled workers causes tensions in the labour market.

Hourly labour costs are already high in Germany, according to the Bundesbank, a significant competitiveness challenge for businesses. — ***AFP***

ECB set to leave rates unchanged as economic prospect brightens

FRANKFURT: The European Central Bank (ECB) announced on Thursday that it will keep interest rates steady, citing signs of an improving economic outlook for the euro area.

This marks the fourth consecutive time the ECB has opted to hold interest rates unchanged, following its last rate cut in June, when it reduced the benchmark deposit facility rate to 2 percent.

Inflation in the euro area remained stable at 2.1 percent in November, according to the EU's statistical office. The past 11 months saw narrow movements of inflation, which, according to the latest estimate by the ECB, is expected to average 2.1 percent this year.

This inflation figure, close to the ECB's medium-term target of 2 percent, is one of the reasons the bank believes it is "in a good position." Prices in the euro area began rising sharply in late 2021, with inflation reaching a record high of 10.6 percent in October 2022. In response, the ECB initiated one of the most aggressive rate hike cycles in history, increasing rates by a total of 450 basis points over just more than a year, starting in July 2022. Interest rates were held at historic highs until June 2024, when the ECB decided to ease restrictions.

European Central Bank headquarters building in Frankfurt, Germany.

The bank cut rates by a total of 200 basis points in the easing cycle, which came to a halt in June of this year. According to the "updated assessment," the ECB expects inflation to stabilize around the 2 percent target in the medium term. In its latest staff projections, the ECB forecasts inflation to average 1.9 percent in 2026, 1.8 percent in 2027, and 2 percent in 2028.

ECB President Christine Lagarde told a press conference on Thursday that "we reconfirmed that we are in a good place." The euro area economy grew by 0.3 percent in the third quarter, surpassing expectations due to "stronger consumption and investment."

Exports also increased in the third quarter, as exporters in the EU weathered the U.S. tariffs headwinds better than expected. The euro area's economy has been buoyed by "a robust labour market," with the unemployment rate near a historical low of 6.4 percent in October.

Industrial production in the euro area surged by 0.8 percent in October, up from 0.2 percent in September, a sign that the industrial recovery is gaining pace. — ***XINHUA***

Ghana parliament approves 2026 budget of $31bn

ACCRA: The Parliament of Ghana on Friday passed the appropriation bill approving government expenditure of 357.1bn Ghana cedis (about $31bn) for the 2026 fiscal year.

The approval followed six weeks of debate by both sides of the House on the budget statement presented by Finance Minister Cassiel Ato Forson on Nov. 13.

During the debates, Forson said that the government had managed the economy prudently, ensuring strategic debt management without borrowing from the central bank. Late Wednesday, the Executive Board of the International Monetary Fund (IMF) approved the fifth review of Ghana's reforms, paving the way for the immediate release of $385m to support the country's economic recovery.

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"Ghana's performance under its Extended Credit Facility-supported reform program has been generally satisfactory. The authorities have shown strong program ownership by decisively implementing ambitious corrective actions after the 2024 policy slippages," the IMF said. The passage of the 2026 appropriation bill, alongside continued IMF support, signals growing confidence in Ghana's economic management and reform trajectory.

The approved spending framework is expected to support priority sectors, strengthen fiscal discipline and anchor the ongoing recovery.

With prudent debt management, improved policy credibility and external financing support, authorities aim to consolidate macroeconomic stability, restore investor confidence and lay the groundwork for more inclusive and sustainable growth over the medium term. — ***XINHUA***

TikTok owner ByteDance on track for $50bn profit in 2025

WASHINGTON: ByteDance Ltd. is on track for profits of roughly $50bn in 2025, capping a record year for a Chinese social media leader making major inroads into e-commerce and new markets.

The Beijing-based parent company of TikTok is on track to hit that milestone after amassing net income of about $40bn over the year's first three quarters, people familiar with the matter said.

It's already surpassed its internal target for 2025, the people said, asking to remain anonymous to discuss private financials. That would take the company's earnings close to that of US rival Meta Platforms Inc., which is projected to earn about $60bn this year.

A ByteDance spokesperson didn't immediately respond to requests for comment.

TikTok's success has come under scrutiny after the Biden administration led an effort to ban the Chinese-owned social media phenomenon from the US, citing national security concerns.

ByteDance is now close to finalising a plan to hive off the video service in the US, which will ensure the platform survives while loosening the Chinese company's control.

TikTok Chief Executive Officer Shou Chew told employees that ByteDance signed binding agreements to create a joint venture majority-owned by American investors including Oracle Corp., according to an internal memo reviewed by Bloomberg.

Chinese regulators have yet to say whether they'll approve the transaction - a key requirement for a deal to proceed.

ByteDance is now close to finalising a plan to hive off the video service in the US, which will ensure the platform survives while loosening the Chinese company's control.

Despite Washington's scrutiny, TikTok has expanded globally at a rapid clip - including in the US. It has been pushing aggressively into e-commerce and livestream shopping, including partnering with major American tech companies such as Amazon.com Inc.

The same day that Chew announced an agreement had been reached, TikTok held its first-ever Oscars-style red carpet show, The TikTok Awards, in Los Angeles.

It's unclear how much ByteDance has increased revenue this year.

The company had targeted about a 20% rise in 2025 sales to $186bn, Bloomberg News has reported.

That would cap years of 20%-plus growth for the company founded in 2012 by Zhang Yiming. ByteDance has created several of China's most popular digital services, including Toutiao and Douyin, a version of TikTok for the mainland market.

It's also vying with incumbents Alibaba Group Holding Ltd. and Tencent Holdings Ltd. in artificial intelligence, developing large language models, chatbots and other services.

The topline growth would take the Chinese internet leader to a tad below Meta's projected revenue of about $200bn this year. ByteDance claimed more than 4 billion monthly active users for its suite of apps, also in the ballpark of Meta's.

SoftBank Group Corp.'s Vision Fund revalued the company to north of $400bn last year, in part because of its growing presence in generative AI. Fidelity Investments and T. Rowe Price Group Inc. have also marked up ByteDance, valuing it at above $410bn and $450bn, respectively, Bloomberg News has reported. More recently, a Chinese investment firm bought a block of ByteDance Ltd. shares at a valuation of $480bn, far above recent levels, a sign of strong investor interest.

Meta's valuation is about $1.7 trillion, the sixth-highest in the world through Thursday's market close in the US.

Still, for ByteDance, growth is likely to be slower than previous years. Douyin its main revenue driver is grappling with waning consumption and advertising spending across the world's second-largest economy. TikTok - a near-identical replica - has in the meantime taken up more of the burden for topline growth. — ***THE WASHINGTON POST/ BLOOMBERG***