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REGIONAL COMMENTARY

Cancellation Of Nuclear Agreement With Iran Would Be “Unforgivable” – Russia.

The Russian foreign ministry has issued a statement outlining Moscow’s “disappointment” with the recent renewal of the remaining US sanctions on Iran and warning that any attempt by a Trump administration to overturn the P5+1 agreement would be “unforgivable.” The US House of Representatives and the Senate approved a 10-year extension of the existing sanctions law which affects Iranian development of ballistic missiles and other weapons, despite the misgivings of President Obama who symbolically declined to sign the renewal as it came into force. Meanwhile a White House spokesperson, Josh Earnest, has criticised an attempt by some Republican lawmakers to introduce fresh additional sanctions on Tehran, and warned that such actions could break the conditions of the nuclear deal signed last year. "This is a message that if the United States Congress blows up the deal that prevents Iran from obtaining a nuclear weapon, they will have to deal with the grave consequences that ensue," Earnest stated.

One Of Africa’s Longest Serving Presidents Heads For The Exit Door.

State-owned media outlets in Angola announced last week that President Jose Eduardo dos Santos plans to retire ahead of elections scheduled to be held August next year. Dos Santos took office in 1979 and his party, the MPLA, has been in power since the Portuguese relinquished control of their African colonies in 1975. However whilst his impending departure may be significant from a historical point of view, its unlikely to change too much on the political front or the way the country is run. His successor is reportedly set to be the current defence minister, Joao Lourenco, and its likely most of the other senior officials within the current Dos Santos’ administration will keep their jobs. Meanwhile two of Dos Santos’s children have control of the country’s most strategic assets, with his daughter Isabel heading the state oil firm, Sonangol, and his son Jose running Angola’s sovereign wealth fund. The next President faces ongoing and severe challenges on the economic front, and this was underlined by the latest IMF report on the country, which again called on the government to begin implementing deep structural reforms in order to diversify the economy away from oil, gas and diamonds. Despite its energy wealth, Angola has other sizeable mineral reserves and vast potential in the agricultural and tourism sectors all of which remain underdeveloped, while more than 30% of Angola’s population still lives on less than US\$2 a day according to recent data provided by the World Bank.

Exxon Shuts Nigerian HQ Due To Protests.

Exxon-Mobil has reportedly been forced to temporarily shut its main offices in Lagos after the building was blockaded by over 1000 people protesting against the dismissal of 150 workers. This latest demonstration follows a similar incident at an Exxon facility in Akwa Ibom, while the chairman of Nigeria’s Petroleum and Gas union has issued a warning that his members will continue to demonstrate against the company’s recent lay-offs, and has called for workers at Exxon’s offshore rigs to down tools. Meanwhile the country’s President, Muhammadu Buhari, submitted his government’s 2017 budget to parliament yesterday. The NGN 7.3 trillion proposal will see public spending rise by more than 20%, with infrastructure-linked expenditure alone totaling US\$7 bio, while the government says it plans to fund the forecast NGN 2.36 trillion deficit primarily via domestic and external borrowing,

and that the budget is based on a benchmark oil price of US\$42.50, and a production estimate of 2.2 million barrels per day for 2017. Nigeria has already announced plans to conduct a US\$ 1 bio international bond issue during the 1st quarter of next year.

GCC Central Banks Follow FED Rate Hike.

Five of the six GCC states raised their own benchmark rates yesterday in line with this week's 25bp FED move, as expected. Bahrain adjusted its one-week deposit facility from 0.75% to 1.00%. It also raised the o/n deposit rate to 0.75%, the 1 month deposit rate to 1.50% and the lending rate to 2.75%. Kuwait raised the discount rate to 2.50%, Saudi Arabia moved its reverse repo rate from 0.50% to 0.75% but kept the repo rate unchanged at 2.00%, the UAE increased its certificates of deposit rates by 25bp, Qatar adjusted its o/n lending rate from 4.50% to 4.75% and its corresponding deposit rate from 0.75% to 1.00%. Oman's Central Bank is also expected to increase its policy rates although no official announcement has been made as yet.

QIA Still Pondering Monte dei Paschi Investment.

Qatar's Sovereign Wealth Fund is allegedly still considering a EUR 1 bio investment in Italy's Monte dei Paschi di Siena, according to a recent article published by Reuters.

Total Eyes Stake In Ugandan Refinery.

France's Total is reportedly keen on taking a 10% stake in Uganda's planned US\$4 bio oil refinery. Once completed the facility will be able to refine up to 60,000 barrels a day.

Kuwait's Military Plans US\$1.7 Bio Tank Upgrade.

The Kuwaiti army is reportedly looking to make upgrades to its fleet of US manufactured M1A2 Abrams tanks at a cost of around US\$1.7 bio, according to a report by the Defence Security Cooperation Agency.

Foster Wheeler Wins UAE Contract.

The UK based firm, Amec Foster Wheeler, has been awarded a front-end engineering services contract to increase the capacity of the Al Hosn gas plant in Abu Dhabi.

FX MARKETS:

Indication Levels Only – Please Contact us on Reuters Dealing Code NBAD for any pricing or information.

Currency	Spot	1M	2M	3M	6M	9M	12M	2Y
USD/AED**	3.6728/29	11/16	18/28	32/42	60/80	90/120	130/160	440/490
USD/SAR**	3.7509/12	5/10	20/30	40/60	110/160	230/280	370/420	1050/1150
USD/QAR	3.6413/16	25/35	50/60	65/95	140/170	210/260	280/320	500/650
USD/KWD	0.30610/630	-5/+2	-10/+5	-15/+10	-10/+20	20/60	70/120	200/350
USD/OMR	0.38499/502	20/35	50/80	90/140	250/350	450/550	800/1000	2300/2800
USD/BHD	0.37699/702	5/15	10/25	25/45	50/100	100/200	150/250	600/1100
USD/MAD	10.1700/1800	250/350	625/775	950/1250	2000/2600	2900/3500	3800/4600	7000/9000
USD/EGP	18.50	18.70/19.00	18.80/19.10	18.90/19.20	19.30/19.80	19.70/20.20	20.20/20.70	*NDF
USD/JOD	0.7095/7100	35/75	40/140	50/150	100/300	150/550	250/650	500/2000
USD/NGN	315.00	319.00/324.00	329.00/334.00	341.00/346.00	376.00/386.00	408.00/418.00	426.00/436.00	*NDF
USD/GHS	4.1500	4.20/4.30	4.25/4.35	4.29/4.39	4.45/4.65	4.60/4.80	4.72/4.92	*NDF
USD/TND	2.3200/3300	125/275	325/625	400/900	750/1650	1100/2500	1450/3250	3000/6500

NOTE: ** (offshore levels); We also provide pricing in KES, ZMK, MUR and DZD on a request basis and are active in the CNH, HKD, INR, KRW, MYR, SGD & THB markets.

AED AND SAR IRS SPREADS

Currency	1Y	2Y	3Y	4Y	5Y	6Y	7Y	10Y
AED SPREAD	+49/57	+68/76	+86/94	+104/112	+121/129	+137/145	+148/158	+188/198
SAR SPREAD	+96/104	+104/112	+115/123	+127/135	+140/148	+149/159	+159/169	+177/187

Note: We can quote options in the AED, SAR & KWD.

Continued...

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AND FINALLY...

Did you know Angola is the only country in which the critically endangered Giant Sable antelope lives? These animals survive in two protected areas within the central highlands region.

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