

# اقتصادنا والعالم

## Our Economy and the World

**Issue: 339**

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**This week's issue of "Our Economy and the World" includes:**

- **Key Global and Regional Developments over the Past Week**

- Reuters: US crude, fuel stockpiles fall on strong distillate demand
- Reuters: Dollar gains against euro as Fed, Middle East in focus
- Bloomberg: UK inflation stays higher than expected after oil price jump
- Reuters: Wall Street brokerages raise China's 2023 economic growth forecast

- **Special Analysis**

- World Bank: MENA Economic Update, October 2023 - Balancing Act: Jobs and Wages in the Middle East and North Africa When Crises Hit

- **Developments in Financial and Commodity Markets in the Past Week**

- Reuters: Oil up about 2% on big US crude storage draw, Middle East tension
- CNBC: Dow closes more than 300 points lower as 10-year Treasury yield soars to another 16-year high

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## Our Economy and the World

### Key Global and Regional Developments over the Past Week

#### [Reuters: US crude, fuel stockpiles fall on strong distillate demand](#)

U.S. crude oil and fuel inventories all fell by more than expected last week as refiners increased crude runs to meet strong domestic demand for distillate fuels, the Energy Information Administration said on Wednesday. Stocks of diesel and heating oil have been hovering near record lows ahead of winter and drew down again last week amid strong demand.

[\(Read Full Article\)](#)

#### [Reuters: Dollar gains against euro as Fed, Middle East in focus](#)

The dollar rose against the euro on Wednesday before several Federal Reserve officials were due to speak and as investors watched the war between Hamas and Israel for signs of escalation. The currency has benefited from expectations the U.S. central bank will hold rates higher for longer as it battles to bring inflation closer to its 2% annual target.

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### [\*\*Bloomberg: UK inflation stays higher than expected after oil price jump\*\*](#)

UK inflation failed to slow as forecast in September as rising oil prices offset downward pressures from food costs. The Consumer Prices Index rose 6.7% from a year earlier, the same pace as the previous month, the Office for National Statistics said Wednesday. Economists had been expecting inflation to fall back to 6.6%.

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### [\*\*Reuters: Wall Street brokerages raise China's 2023 economic growth forecast\*\*](#)

Reuters: JP Morgan, Citigroup and Nomura on Wednesday lifted their forecast for China's economic growth for the year following upbeat data, but highlighted the need for more stimulus. Data on Wednesday showed China's gross domestic product (GDP) rose at a faster-than-expected 4.9% in July-September from a year earlier, and along with data showing a rise in consumption and industrial activity in September, suggested a tentative recovery thanks to a recent flurry of policy measures.

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### Special Analysis

#### [World Bank: MENA Economic Update, October 2023 - Balancing Act: Jobs and Wages in the Middle East and North Africa When Crises Hit](#)

Covid-19. The Russian invasion of Ukraine. Commodity price volatility. The rise of global inflation and interest rates. Currency depreciations among indebted middle-income economies. And now, natural disasters. As a sequence of events, the consequences can be both tragic and long-lasting. After analyzing the macroeconomic prospects of the Middle East and North Africa (MENA) Region, this edition of the regional Economic Update assesses the human toll of macroeconomic shocks in terms of lost jobs and deteriorating livelihoods of the people of MENA. Growth is forecast to decelerate in 2023 after experiencing an oil-price induced growth spurt in 2022 among the high-income oil exporters of the region. Yet as the region continues to recover from the impact of the COVID-19 shock and navigates the heightened volatility in its terms of trade, the region's labor force is contending with the ramifications for their livelihoods of the inflationary pressures associated with currency fluctuations in some countries. The authors estimate that the macroeconomic shocks of 2020-22 led to an additional 5.1 million individuals becoming unemployed in MENA. Will these shocks permanently scar the hard-working people of MENA? The report answers this question by highlighting the trade-offs facing labor markets when facing macroeconomic shocks. A critical trade-off pertains to the loss of jobs versus decreases in real incomes, neither of which is desirable. The report advocates for maintaining the flexibility of real wages and discusses policy options to support the most vulnerable.

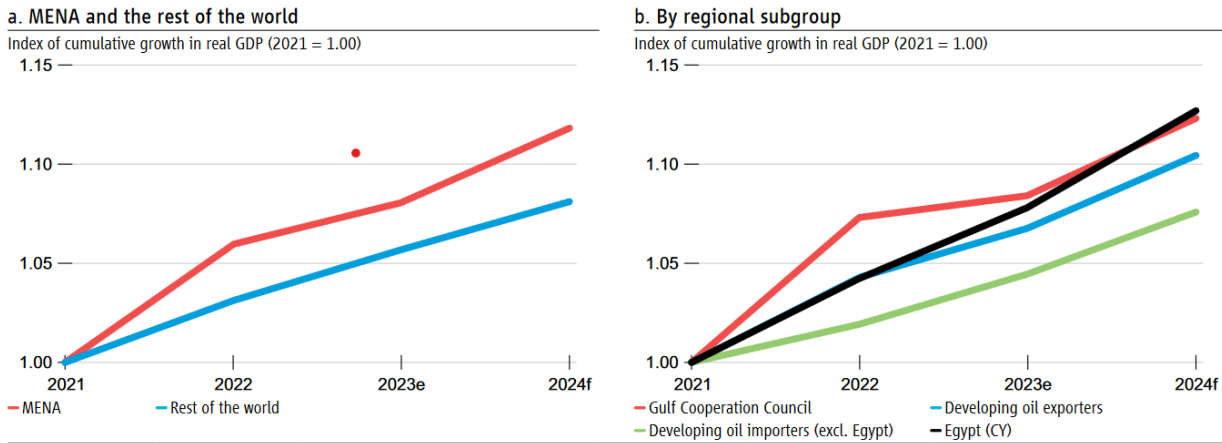
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**Figure 2.1** Index of actual and projected cumulative real GDP growth in the Middle East and North Africa, 2021–24



Source: Authors' calculations, based on data from the Macro Poverty Outlook, October 2023.  
 Note: MENA includes Algeria, Bahrain, Djibouti, Egypt, the Islamic Republic of Iran, Iraq, Jordan, Kuwait, Morocco, Oman, Qatar, Saudi Arabia, Tunisia, the United Arab Emirates, and the West Bank and Gaza. The Gulf Cooperation Council includes Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates. Developing oil exporters include Algeria, the Islamic Republic of Iran, and Iraq. Developing oil importers excluding Egypt include Djibouti, Jordan, Morocco, Tunisia, and the West Bank and Gaza. Real GDP estimates for Egypt in panel b correspond to calendar years. Regional and subregional weighted-average real GDP growth rates were calculated using previous year real GDP levels as weights.

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### Developments in Financial and Commodity Markets in the Past Week

#### [Reuters: Oil up about 2% on big US crude storage draw, Middle East tension](#)

Oil prices climbed about 2% to a two-week high on Wednesday on a bigger-than-expected U.S. storage draw and as rising tensions in the Middle East threaten to disrupt oil supplies from the region, with Iran calling for an oil embargo on Israel. Brent futures rose \$1.46, or 1.6%, to \$91.36 a barrel by 10:38 a.m. EDT (1438 GMT), while U.S. West Texas Intermediate (WTI) crude rose \$1.45, or 1.7%, to \$88.11.

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#### [CNBC: Dow closes more than 300 points lower as 10-year Treasury yield soars to another 16-year high](#)

Stocks dropped Wednesday as earnings season gained steam and Treasury yields climbed to multiyear highs. The Dow Jones Industrial Average slipped 332.57 points, or 0.98%, to finish at 33,665.08. The S&P 500 slid 1.34% to 4,314.60, while the Nasdaq Composite dropped 1.62% to 13,314.30. None of the three major indexes traded in positive territory at any point during the session.

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