

Expecting the Unexpected

20
25

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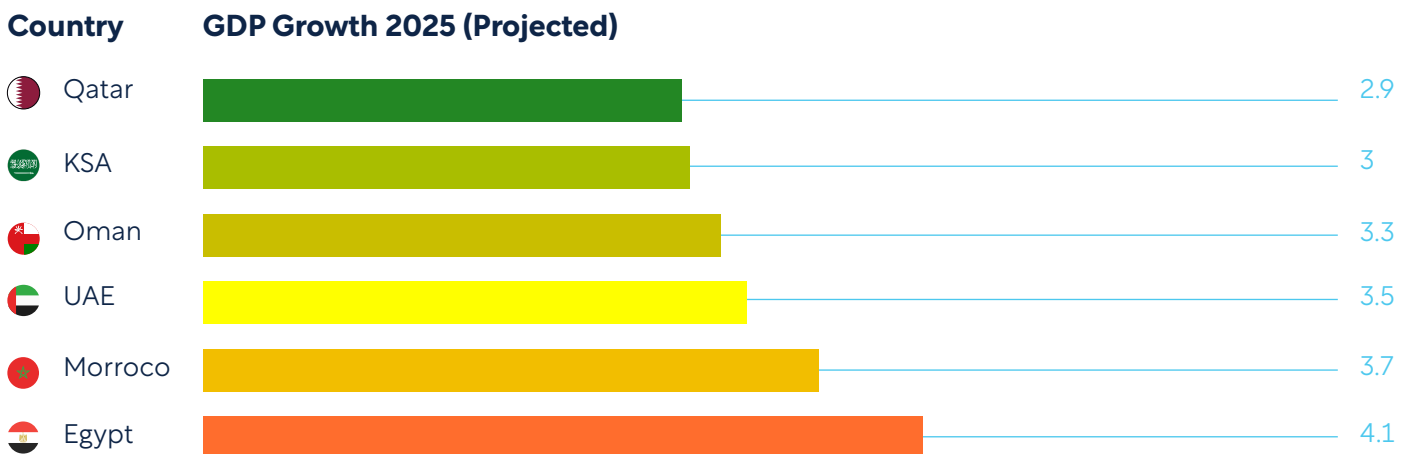
Executive Summary

As we step into 2025, the global landscape braces for another wave of uncertainty, driven by a resilient US dollar, escalating risks of trade wars, and persistent geopolitical tensions. In this challenging climate, Gulf economies boast robust key growth engines that are less entangled with global disruptions compared to other regions.

Structural reforms spearheaded by Saudi Arabia and the UAE continue to anchor compelling growth narratives. This positive outlook is further bolstered by key stability factors, such as limited FX risks due to currency pegs and abundant financial resources supporting economic momentum. In a lower interest rate environment, the region also presents compelling opportunities for dividend-yield plays, enhancing total investor returns.



GDP Growth in 2025: A Risk-Adjusted Forecast



Risk Rating



B low risk

B1 low risk

Sensitive Risk

Source: Allianz & S&P Research





Five Global Themes **Not To Miss**



Global Themes

01 | A Neutral To Cautious Outlook For Commodities

- **The global economic outlook for 2025 presents a complex interplay** of commodity prices, currency valuations, and monetary policies across major economies.
- **The outlook for oil prices in 2025 remains cautious**, with projections ranging between \$65 and \$70 per barrel, averaging around \$ 75. According to the International Energy Agency (IEA) and OPEC reports .
 - **This is driven by weak demand**, particularly from China, and additional non-OPEC+ supply risks. However, OPEC+'s extended supply cuts—removing 5.8 mn barrels per day—are helping balance the market.
 - **For Saudi Arabia, the fiscal breakeven oil price for 2025 is estimated at just over \$80 per barrel, highlighting the challenge of maintaining fiscal stability in a lower-price environment.** Despite this, analysts at the IMF and the World Bank suggest that the Kingdom's financial buffers and strong reserves provide resilience against short-term shocks.
 - **Market concerns are also rising about the potential impact of Donald Trump's return to office**, which could heighten geopolitical risks and oil market volatility, further complicating supply and demand dynamics.
 - **In summary, while oil prices are expected to remain stable enough to support most regional economies, challenges persist**, particularly for countries reliant on higher breakeven prices. Saudi Arabia's fiscal strategies and global geopolitical developments will play key roles in shaping outcomes as noted by IEA and Bloomberg analysts.



- **Gold has been a standout performer in 2024**, appreciating by 27% to reach \$2,617 per ounce. Heading into 2025, the outlook remains bullish, with prices projected to approach \$3,000 per ounce, driven by key factors:



Rate Cuts:

Anticipated monetary easing by the Fed will reduce the opportunity cost of holding gold, bolstering its appeal.



Geopolitical Instability:

Ongoing conflicts and rising global uncertainties are sustaining gold's status as a safe-haven asset.



Central Banks Demand:

Countries like China are accelerating gold purchases, seeking to diversify reserves and hedge against geopolitical risks.

Additionally, gold's limited industrial dependency shields it from economic slowdowns, while its historical pattern of multi-year rallies supports the positive outlook. As global markets navigate volatility, gold is well-positioned to sustain its momentum as a preferred asset in 2025.





A Game-Changer for global and regional economies: It is noteworthy that 2025 marks the beginning of a new monetary era, with central banks gradually pivoting away from one of the most aggressive tightening cycles in recent history. Lower interest rates are now emerging as a key theme, promising to reshape economic dynamics and market sentiment.

Global Central Banks Outlook:

- **The U.S. Federal Reserve, having already implemented a 100bps cut earlier in 2024, is expected to further ease rates as inflation pressures abate.** By the end of 2025, rates are projected to settle at around **3.75% to 4.00%**, down from the current **4.50%**. And 10-year will be at **4.25% to 4.75%** but it is expected that the journey there is going to be incredibly volatile. Noting that US consumers' long-term inflation expectations surged to an annual rate of **3.3%**, the highest since 2008, according to University of Michigan survey published Friday, 10th of January 2025. In Addition, the potential Trump presidency is supporting this outlook, with his likely fiscal expansion risking higher inflation. This contrasts with Fed Chair Jerome Powell's cautious stance on rate cuts, setting the stage for potential policy clashes and market volatility. That said, some forecasts suggest the Federal Reserve might only implement one rate cut in 2025 if inflation targets remain elusive.
- **The European Central Bank (ECB) has already commenced its easing cycle, bringing its main deposit rate down to 3%.** With inflation trending towards the **2% target by mid-2025**, rates are expected to decline further, potentially reaching **2%** by year-end. However, the ECB remains cautious, emphasizing a data-driven approach to balance growth support and inflation control amid subdued domestic demand and geopolitical uncertainties.
- **In the UK, the Bank of England (BoE) is on track to lower rates from 4.75% to 3.25% by 2025**, aligning with the broader global trend as inflationary pressures ease and economic momentum stabilizes.

Regional Implications for MENA and Egypt For the GCC, rate cuts in line with the Federal Reserve—given their currency pegs—are expected to serve as a vital catalyst for fiscal and economic growth initiatives.

- **In Saudi Arabia**, the easing rate environment will provide much-needed support for corporate credit markets and regional equity performance. Tight banking sector liquidity, driven by robust loan growth, will likely spur refinancing activity at more favorable terms, stimulating debt issuance and facilitating growth strategies.
- **Egypt is also poised to benefit from a gradual monetary easing cycle, with the Central Bank expected to reduce rates by around 600-800bps from the current 27.75%.** With inflation projected to cool to the mid-teens by early 2025 due to favorable base effects, this easing will help unlock credit creation and stimulate retail and business activity. Maintaining elevated real rates of **600-800bps** will provide stability, while lower borrowing costs will offer much-needed relief to the economy.

Bottom line, the shift to lower rates globally and regionally signals a crucial turning point, offering relief to strained economies while opening doors for growth and investment. For MENA, particularly Egypt, these changes are set to act as a significant growth enabler, balancing global uncertainties with domestic opportunities.





Global Themes

03 | Second Term of Trump Era

The return of Donald Trump to the U.S. presidency presents opportunities and risks, including potential de-escalation of global conflicts like the Russia-Ukraine war and tensions in the Middle East, fostering stability in the MENA region. However, Trump's aggressive fiscal expansion policies could drive inflation, conflicting with Fed Chair Jerome Powell's cautious approach to rate cuts, increasing market volatility and uncertainties, such as renewed trade wars.

- **Trump's ambitious "3-3-3 plan" to boost U.S. oil production by 3 million barrels per day by 2028 faces skepticism.** According to Rystad Energy and the U.S. Energy Information Administration (EIA), U.S. shale producers need **\$64 per barrel** to justify drilling, with many operations shutting down below **\$50**. Even with deregulation or tax incentives, the plan faces resource and cost limitations.
- **Saudi Arabia, meanwhile, requires oil prices above \$80 per barrel to balance its budget, making it vulnerable to price volatility, according to Bloomberg.** While the U.S. and Saudi Arabia could theoretically push prices below **\$50 per barrel**, this would not significantly curtail Russian oil production. With production costs averaging \$11–\$17 per barrel and a weakened ruble reducing dollar-based expenses, analyses from the Oxford Institute for Energy Studies suggest that Russia remains resilient even in a low-price environment.
- **A \$10-per-barrel drop would cut Russia's export revenues by USD 25 bn annually**, but this represents less than 7% of its total exports, having limited impact on its overall economic resilience. Both the U.S. and Saudi Arabia face significant challenges in reshaping global energy markets, and while Trump's policies may bring bold changes, their feasibility and effectiveness remain highly uncertain. Reports from the IEA, Bloomberg, and other industry experts highlight that their feasibility and effectiveness remain highly uncertain.

A potential U.S. trade war could materialize as early as Q2 2025, with tariffs on China climbing to 60% and others to 10%, driving inflation higher and stifling global growth. Immigration cuts may worsen U.S. labor shortages and amplify inflationary pressures, while challenges to the Federal Reserve's independence and aggressive fiscal shifts could destabilize capital markets. Globally, the repeal of green energy policies, such as the Inflation Reduction Act, might benefit fossil fuel sectors but dampen climate transition efforts.

MENA: Navigating Uncertainty

- **For Egypt, easing tensions in the Middle East and resolving the Russia-Ukraine war could significantly benefit Egypt.** Stability may revive Red Sea trade, recouping USD 6 to 7 bn in lost Suez Canal tolls, while declining oil prices would help mitigate a projected current account deficit exceeding 5% of GDP in FY25. Improved grain access would further bolster food security and strengthen Egypt's external position.
- **Gulf economies stand to benefit from greater regional stability through enhanced trade and tourism flows.** If global trade tensions escalate under Trump, Gulf markets may emerge as safe havens, bolstered by dollar-pegged currencies and robust growth potential.



Bottom line, While de-escalation in global conflicts offers hope, Trump's presidency introduces heightened risks of global economic instability. For MENA, balancing these dynamics will require leveraging opportunities from stability while bracing for potential shocks in the global trade and energy landscapes.





Global Themes

04 | Competing for the Title of the Next Regional Hub

- The ongoing US-China trade war is reshaping global economic dynamics, creating significant opportunities for the MENA region while highlighting underlying risks.** As China seeks to diversify trade routes and reduce its reliance on US markets, the Gulf states are emerging as strategic partners. Energy deals are a cornerstone of this realignment, with China heavily reliant on Gulf oil and LNG imports. Countries like **Saudi Arabia and the UAE are well-positioned to benefit, particularly given their growing roles in the Belt and Road Initiative and their strategic investments in infrastructure projects.**
- As we look toward 2025, the competition among the UAE, Saudi Arabia, and Egypt to emerge as the leading regional hub is poised to intensify.**



UAE: Sustained Leadership Through Innovation

The UAE is likely to maintain its position as a global trade gateway, driven by its robust infrastructure and strategic investments in technology and innovation. Its established logistics network and business-friendly environment will continue to attract foreign investments, enhancing its appeal as a regional hub. Initiatives such as Expo 2020's legacy and ongoing developments in free trade zones will solidify Dubai and Abu Dhabi's roles in international trade.



Saudi Arabia: Rising Potential with Vision 2030

Saudi Arabia is expected to make significant strides by 2025, fueled by its Vision 2030 initiative. The Kingdom's mega-projects, like NEOM and investments in renewable energy, will diversify its economy and attract global attention. As it enhances its infrastructure and logistical capabilities, Saudi Arabia could emerge as a strong competitor, particularly in sectors like tourism and technology.



The bottom line is that by 2025, the UAE is likely to retain its leadership as a regional hub, while Saudi Arabia's ambitious reforms may propel it into a competitive position. Egypt, with its strategic advantages, has the potential to regain its position as a significant player if it navigates its challenges effectively. The evolving landscape will shape the MENA region's economic future, driven by these three key players.





Global Themes

05 | Projects Who Can Deliver?



Global M&A activity is showing clear signs of recovery, driven by the stabilization of regulatory and monetary conditions, renewed corporate growth strategies, and advancements in AI. The focus is shifting toward capability-enhancing deals in high-growth sectors such as technology, healthcare, and financials, with corporate buyers dominating 71% of the market in 2024. Simplification strategies, like spin-offs, are unlocking significant value, while AI-related investments are transforming industries and driving momentum.



In the MENA region, economic diversification efforts, particularly in renewable energy and green hydrogen, are at the forefront, alongside impactful cross-border deals like ADNOC's acquisition of Covestro. The region is poised for substantial growth, supported by improving geopolitical clarity and macroeconomic conditions. However, in Saudi Arabia, the massive influx of investments in giga-projects presents notable challenges. The construction sector faces capacity constraints, requiring the entry of new players and enhanced execution capabilities. Additionally, Riyadh's dominance in attracting the bulk of investments creates a concentration risk. Infrastructure projects, particularly in utilities, will demand strategic coordination, leveraging balance sheets, and raising equity to ensure smooth execution.



In Egypt, while fiscal consolidation under the IMF program is curbing infrastructure spending—with public investments capped at EGP 1 tn for FY24/25, representing a 30% real decline Y-o-Y—the Ras El-Hekma project offers a glimpse of activity. Modon Holding, the project's lead developer, has begun awarding contracts for the first phase, including the development of a new airport. Though limited, this project provides some relief to a contracting projects market, offsetting the broader slowdown in infrastructure investments following years of aggressive expansion.





Egypt In The Look For The Next Big Deal



Egypt Remittances & Deals

Egypt's economy is projected to grow by 4.1% in 2025, fueled by booming remittances, record-breaking tourism, and transformative mega deals. Key initiatives like the New Administrative Capital and the Suez Canal Economic Zone are positioning the country as a regional trade and investment hub, while financial inclusion initiatives are unlocking new domestic growth opportunities.

However, challenges persist. FX volatility continues to erode confidence in USD-based returns, and high real yields—driven by inflation slowing faster than rate cuts—risk dampening sentiment further. Foreign participation has sharply declined, with activity falling significantly from 2021/22 levels.

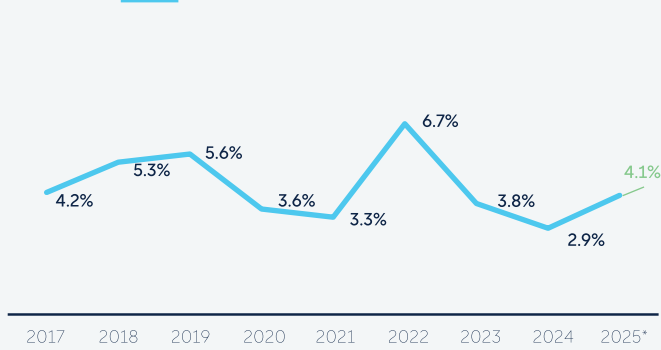
The outlook could shift with two key catalysts: a resolution to regional conflicts that would bolster Suez Canal revenues and tangible progress in the government's asset sales program, which could bring much-needed foreign inflows.



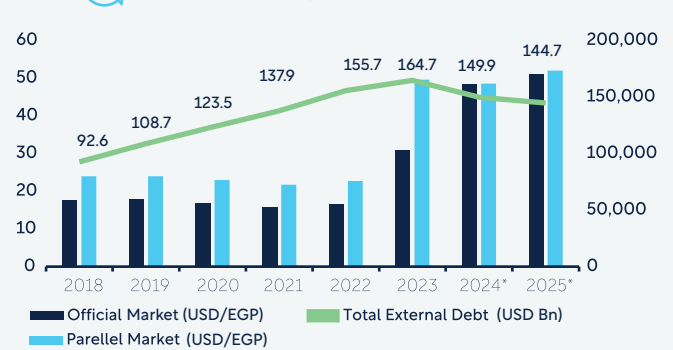
While the foundation for growth is strong, the question remains: will Egypt seize these opportunities and deliver the transformative change needed to position itself as the regional heavyweight it aspires to be?



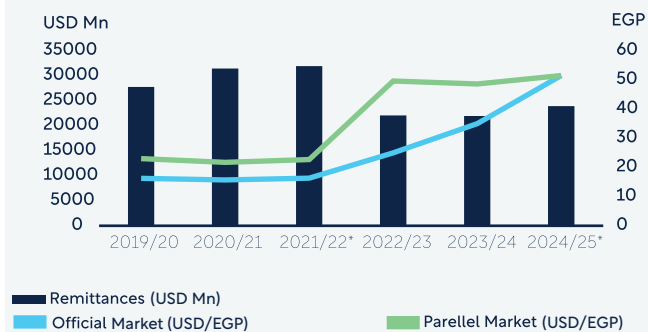
Real GDP Growth Rate



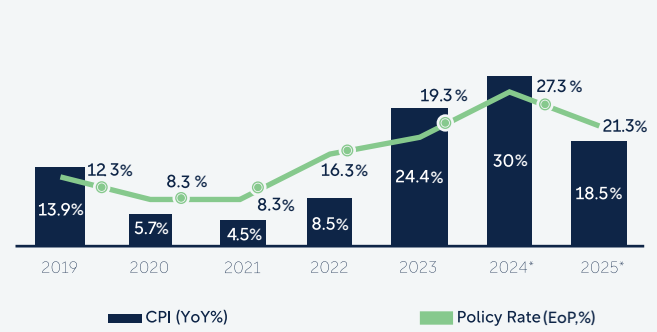
EGP Currency Vs. External Debt



Remittances Vs. EGP Currency



Inflation Vs. Policy Rates



Sources: MOF & CBE
(*) Projections: IMF

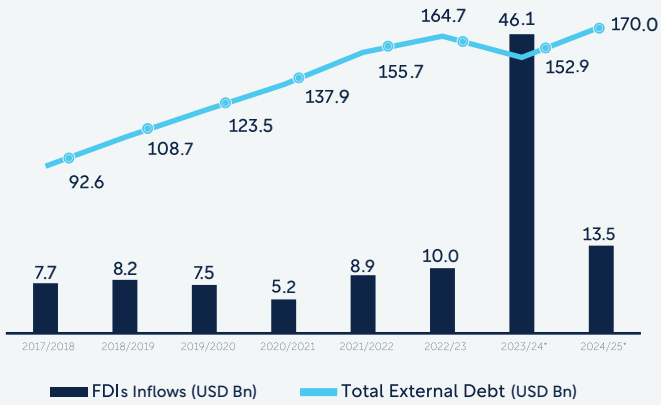




Egypt

Compression Followed By Normalization

FDIs Inflows Vs. Total External Debt



FDIs inflows saw a dramatic surge in FY 2023/2024, reaching unprecedented levels due to landmark investments like the USD 35 bn Ras El Hekma project.

Meanwhile, external debt continued its upward trend, albeit stabilizing slightly toward the end of the period.



The sharp FDI growth marks a critical opportunity for Egypt to reduce its external debt burden and rebalance its financing strategy.

Sources : MOF, CBE, CAPMAS & MPED
(*) Projections: IMF





Saudi Arabia **Balancing Between Ambitious Vision & Budget Deficit**



Saudi Arabia Vision 2030

Saudi Arabia's economy is poised for steady growth in 2025, driven by ongoing structural reforms, diversification efforts under Vision 2030, and significant government investment in mega-projects. Initiatives like NEOM, the Red Sea Project, and the expansion of the entertainment and tourism sectors are transforming the Kingdom into a regional hub for innovation, trade, and tourism. The non-oil economy continues to strengthen, supported by robust domestic demand and a surge in foreign investments.

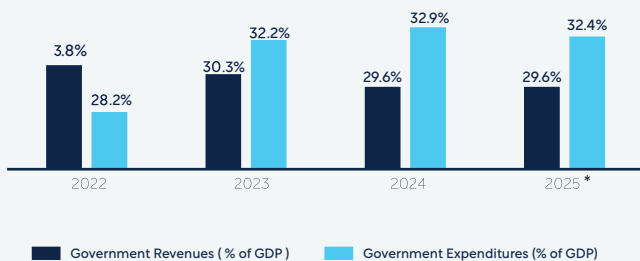
However, challenges remain. Lower oil prices fiscal breakeven oil price remains above \$ 90 per barrel, posing a challenge amid projected global oil prices averaging around \$ 75 in 2025., could pressure fiscal budgets, particularly as Saudi Arabia sustains its ambitious spending plans. While OPEC+ production cuts provide a floor for prices, the global oil market faces headwinds from subdued demand and rising non-OPEC+ supply. Additionally, questions linger around how effectively the Kingdom can maintain investor confidence amidst these external pressures.

Key to Saudi Arabia's success will be its ability to deliver on Vision 2030 goals, particularly in creating a vibrant private sector and attracting sustained foreign investment.

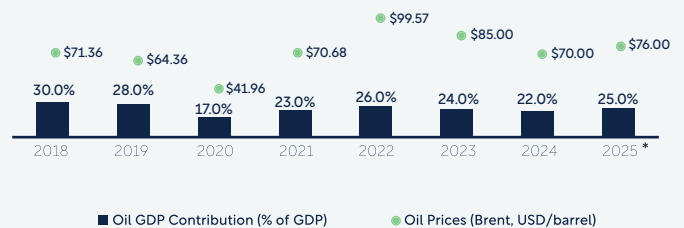


The question now is: can Saudi Arabia continue to defy global economic headwinds and emerge as the Gulf's transformative leader, solidifying its position as a global economic powerhouse?

Government Revenues Vs. Expenditures



Oil Prices Vs. Oil Contribution





Saudi Arabia Vision 2030

TOP 5 Giga Projects Funded By The PIF



	Description	Planned Budget (USD Bn)	Value Awarded of Contracts by Dec 2023 (USD Bn)	Expected Completion
	Technology-driven mega-city	500	24	2030
	Affordable residential housing	90	3.1	2030
	Cultural and heritage-led	20	2.9	2027
	Luxury tourism greenfield	16	8.3	2030-35
	Future Saudi Capital of entertainment,sports, and culture	8	3.7	2030



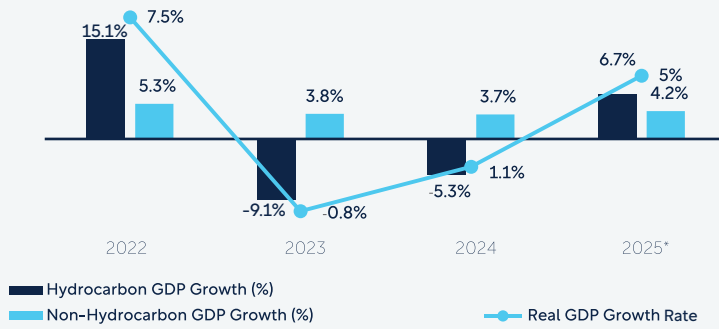
*Source :MEED Saudi Giga Projects 2024 Report



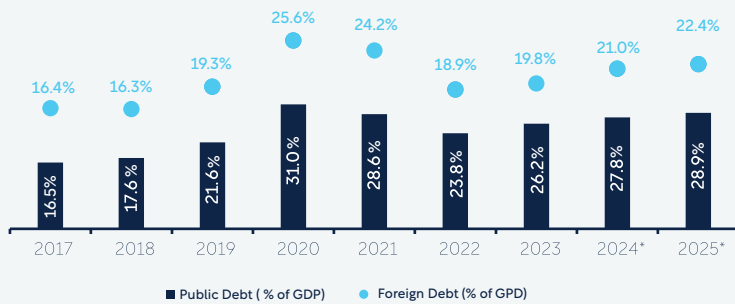


Saudi Arabia Vision 2030

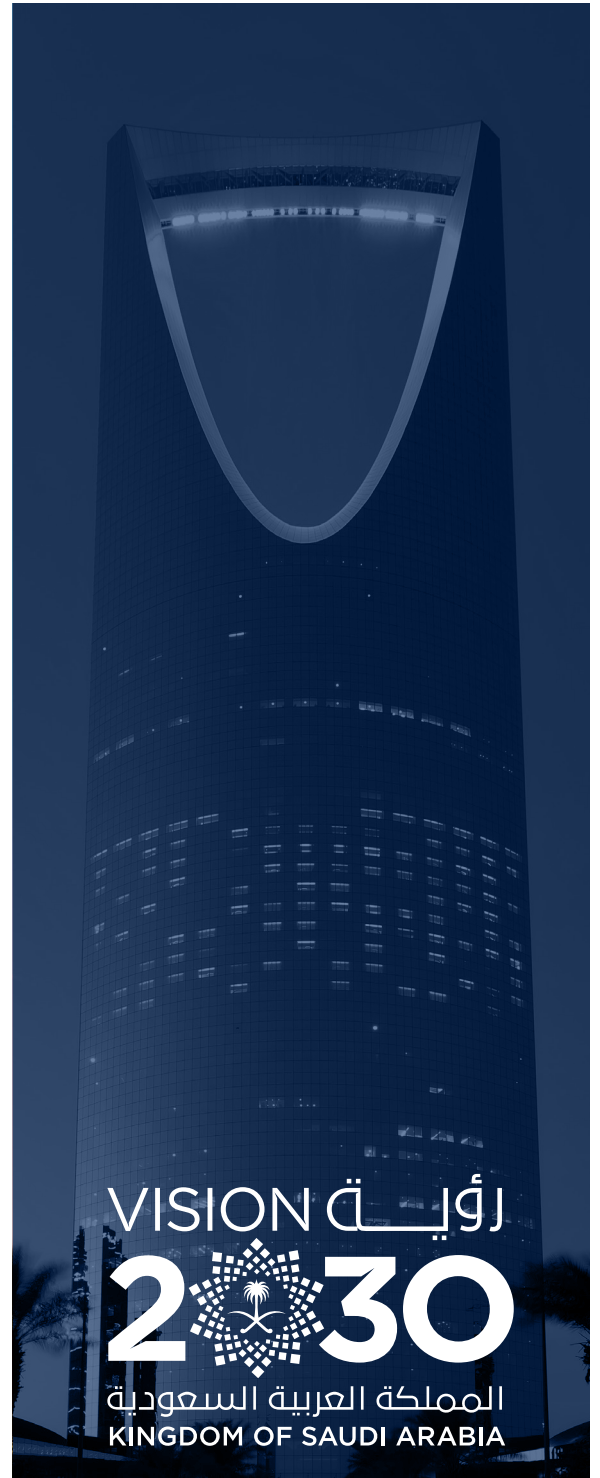
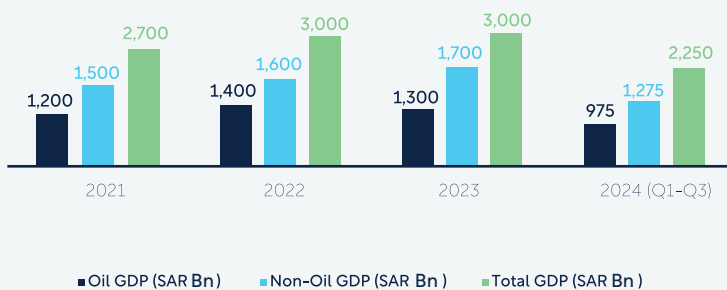
Sectoral Contributions to the Economy



Saudi Arabia's Fiscal Position



Composition of Saudi Arabia's Total GDP

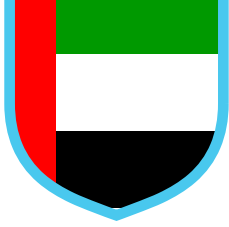


Sources : GSTAT & SAMA
(*) Projections: IMF



A dark, atmospheric photograph of the Dubai skyline at night, featuring prominent skyscrapers like the Burj Khalifa and other high-rise buildings. The city lights are visible, and the foreground shows a body of water with some boats and a walkway. A bright blue line graphic, consisting of a vertical segment and a curved segment, is overlaid on the right side of the image.

UAE The Up-And-Coming Economy



UAE

The Up and Coming

The UAE is set to maintain strong economic momentum in 2025, underpinned by its diversified economy, robust tourism recovery, and dynamic real estate market. Key drivers include ongoing mega projects like Expo City Dubai, the expansion of Abu Dhabi's industrial zones, and a thriving startup ecosystem attracting global talent and investment. The UAE's strategic position as a logistics and trade hub, along with its focus on renewable energy and green finance, continues to strengthen its global economic relevance.

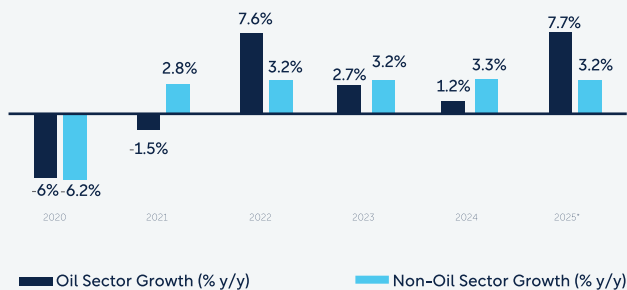
Challenges persist, however. Slower global economic growth and geopolitical tensions could weigh on trade and foreign investments. Additionally, rising housing costs and inflationary pressures may impact domestic consumption. Despite these risks, the UAE's proactive economic policies, strong fiscal position, and ability to adapt to shifting global trends provide a solid foundation for sustained growth.

The UAE's success will depend on its ability to remain a magnet for talent and capital while driving innovation in its core sectors.

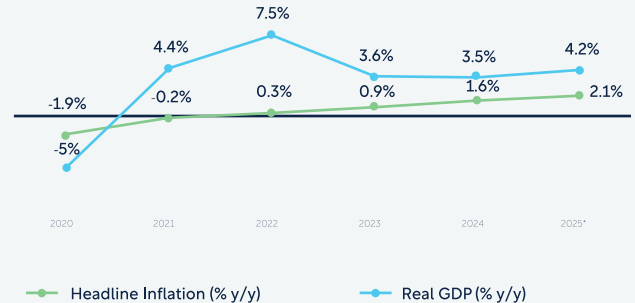


The question is: can the UAE continue to balance short-term challenges with its long-term ambition to lead the region in economic and technological transformation?

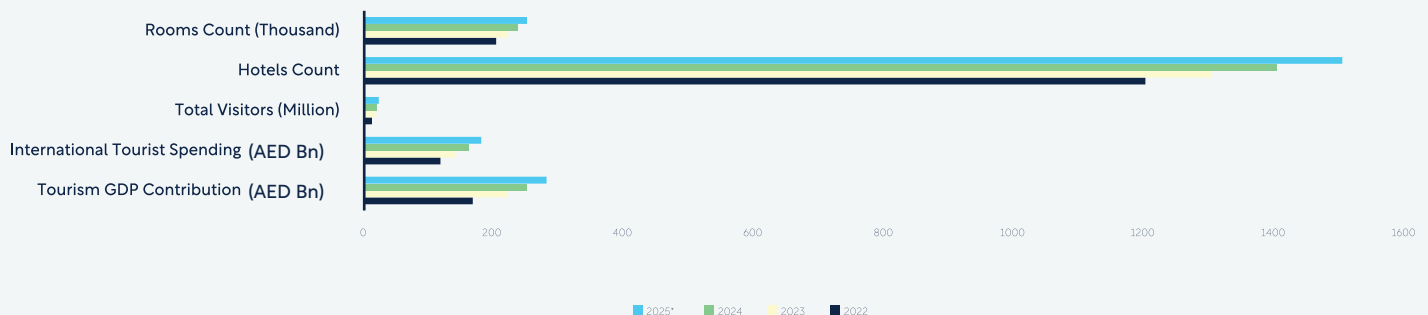
Oil Sector Vs. Non Oil Sector Growth



Real GDP Growth Vs. Inflation Rate



Tourism Contribution to UAE Economy



Jordan
In The Wait of
Regional Conflict
Settlement



Jordan

Stuck in the Middle

Jordan's economy is set for moderate growth in 2025, driven by resilience in key sectors like tourism, pharmaceuticals, and ICT. The recovery in tourism, buoyed by the Kingdom's rich cultural heritage and natural attractions, remains a critical driver of foreign exchange inflows. Meanwhile, government reforms aimed at improving the business environment and attracting foreign direct investment are gradually gaining traction.

However, challenges weigh on the outlook. High public debt and persistent fiscal deficits limit the government's ability to fund large-scale projects. Rising energy costs and regional geopolitical risks add further strain, while unemployment remains elevated, especially among youth, posing a social and economic challenge.

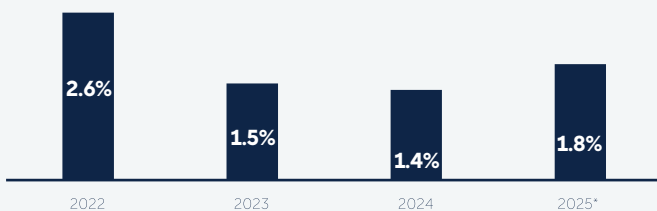


The pressing question is: can Jordan overcome its structural challenges and unlock its potential as a regional hub for trade, investment, and innovation?

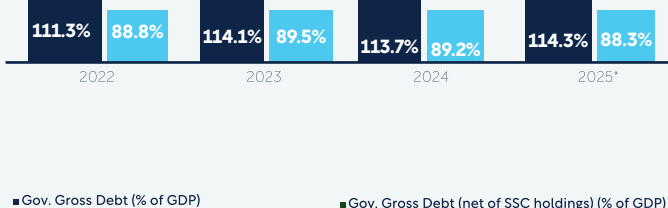
Real GDP Growth Vs. Inflation Rate



Foreign Direct Investments (% of GDP)

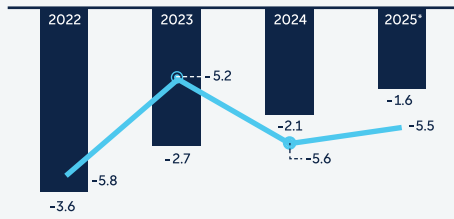


Fiscal Dynamics: Budget Balance





Government Balance



■ Primary Gov. Balance (exc. grants, NEPCO, WAJ) (% of GDP)
— Overall Central Gov. Balance (% of GDP)

Jordan shares economic challenges with Egypt and Lebanon, including high debt, trade deficits, reliance on imports, and currency pegs, but has avoided similar crises due to substantial foreign support. This includes nearly continuous IMF aid since 1989, USD 9 bn in Gulf aid between 2011 and 2022 (17% of GDP), and annual U.S. support of USD 1.45 bn through 2029 (3% of GDP). These funds act as economic “rent,” stabilizing Jordan but without fostering long-term sustainability, while influencing regional political dynamics.





Jordan External Financing Gap and Funding, 2023-27 (USD 3 Mn)

	2023	2024*	2025*	2026*	2027*
 Financing Gap	1,359	2,888	2,171	1,694	1,414
 IMF EEF disbursement	32	450	260	260	261
 Identified Official public external financing	1,327	2,438	1,504	692	412
 World Bank	579	1,310	640	515	299
 European Union	222	214	322	0	0
 European Investment Bank	0	129	107	107	43
 Japan	100	100	0	0	0
Others 1 /	426	684	435	70	70
 Unidentified official public external financing	0	0	407	742	741
 Memorandum Item Eurobond issuance or commercial borrowing	1,250	0	1,000	1,000	1,000





Qatar **The Next Global LNG Hub**



Qatar Vision 2030

Qatar's economy is poised for solid growth in 2025, bolstered by its leadership in LNG exports and strategic investments in infrastructure and diversification. The expansion of the North Field and increasing global demand for natural gas position Qatar as a critical player in the global energy transition. Additionally, investments in financial services, tourism, and logistics are driving the country's economic transformation under its National Vision 2030.

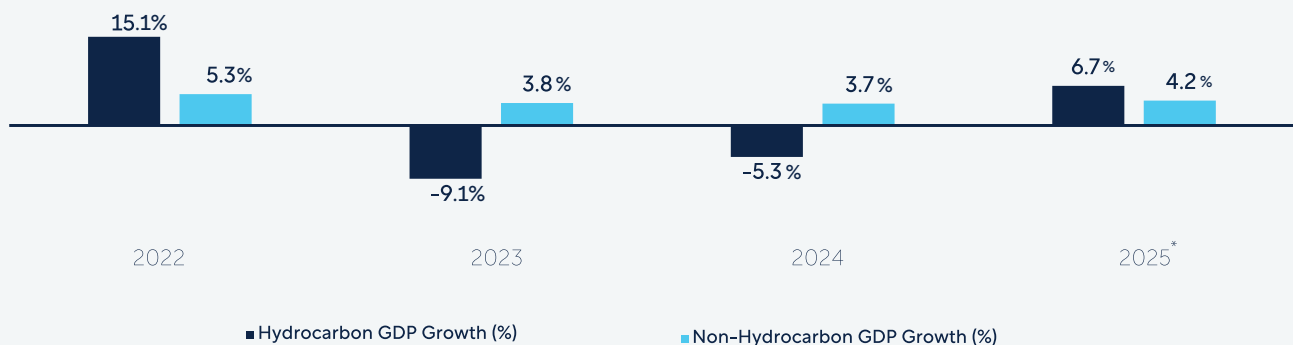
Despite its strengths, Qatar faces challenges from global energy price volatility and rising competition in LNG markets. Slower global economic growth and geopolitical tensions could also impact its trade and investment flows. Domestically, balancing its ambitious diversification goals with fiscal sustainability remains a key priority. Complicating this further is Qatar's monetary policy, which mirrors the U.S. Federal Reserve due to the riyal's peg to the dollar. As a result, interest rates in Qatar are influenced more by Fed decisions than domestic inflation, limiting its ability to independently manage economic conditions.

Qatar's trajectory hinges on its ability to maintain its competitive edge in LNG while accelerating progress in non-energy sectors.



The pressing question is: Can Qatar leverage its resource wealth and strategic initiatives to secure its position as a leading diversified economy in the Gulf, or will external pressures test its resilience?

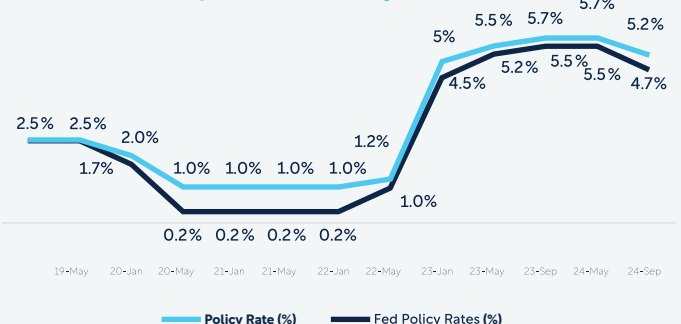
Sectoral Contributions to Economic Performance

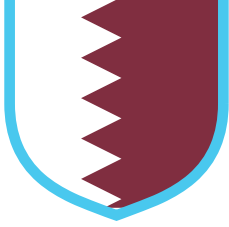


Qatar Financial Position



QCB Vs. Fed Policy Rates

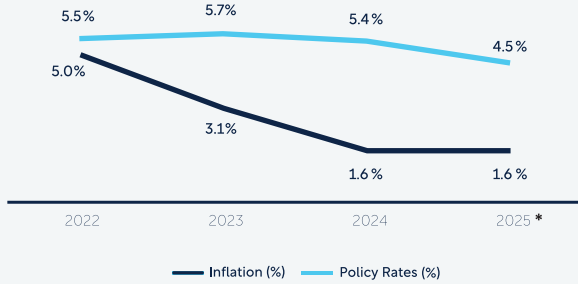




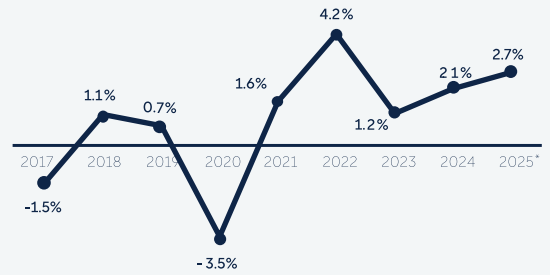
Qatar

The LNG Growth Factor

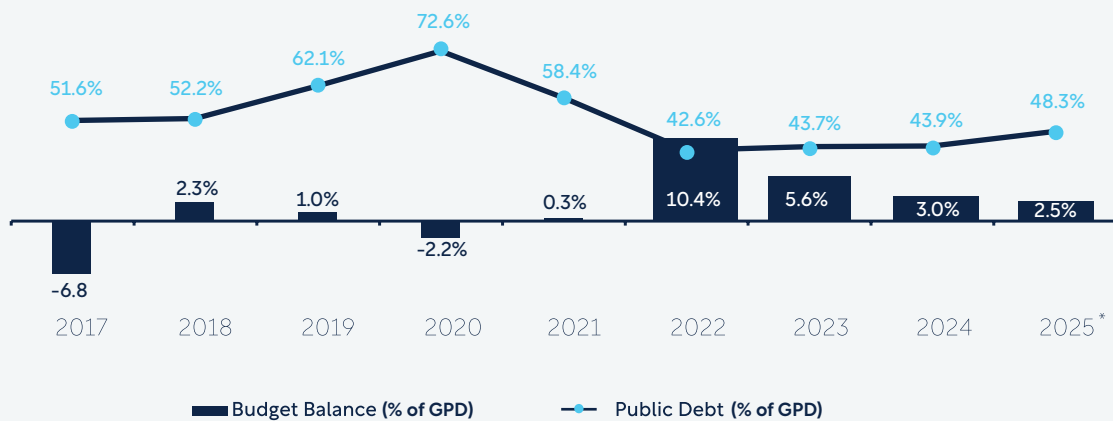
Inflation Rate Vs. Policy Rates



Real GDP Growth Rate

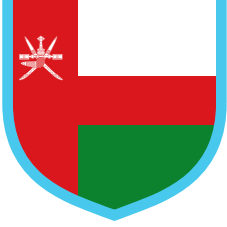


Fiscal Dynamics: Budget Balance and Public Debt





Oman **Stability Moves**



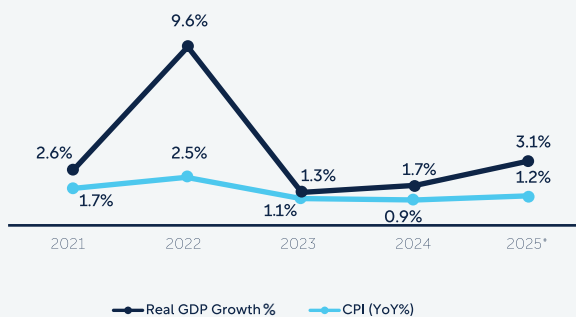
Oman: Stability Moves Slowly and Steady

Oman's economy is set to grow by 3.2% in 2025, driven by investments in green hydrogen, fisheries, and port infrastructure under Vision 2040. With fiscal reforms reducing the deficit to 4.5% of GDP and public debt falling to 55%, the country is building resilience. Oil and gas exports remain a critical buffer, but rising contributions from logistics, tourism, and non-hydrocarbon sectors highlight the impact of diversification efforts. Inflation is forecast at a modest 2.5%, reflecting stable prices across core sectors. Banking remains robust, supported by rising foreign investments and private sector credit expansion. State owned enterprises Reforms (SOE reforms)and divestments are accelerating, with proceeds exceeding **USD 3 bn** in 2023. However, risks linger.

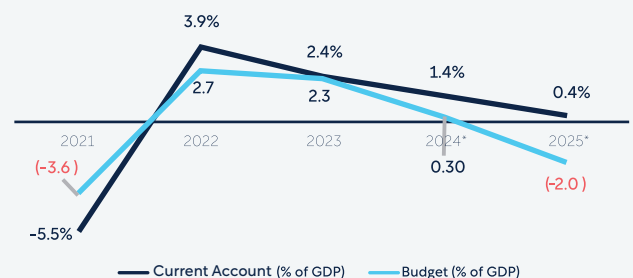


However, risks linger—can the rebound in hydrocarbon activity post-OPEC+ cuts provide the needed momentum, or will structural reforms, including climate-focused investments and fiscal discipline, struggle to keep pace? As Oman moves toward a greener, more inclusive economy, how effectively can it balance short-term stability with long-term transformation under Vision 2040 to ensure sustainable growth?

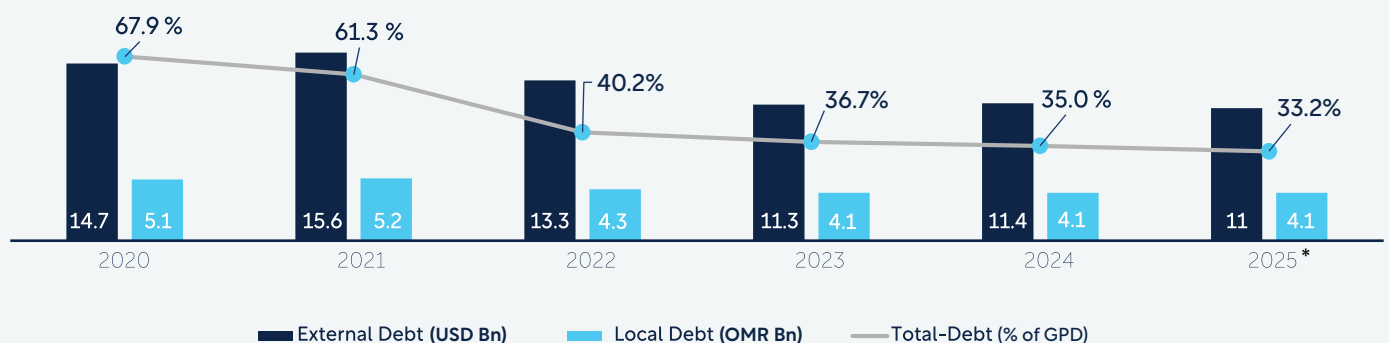
Inflation Rate Vs. Growth Dynamics



Oman's Fiscal Perspective



Debt Profile: External, Local, and Total Debt to GDP





Morocco

The New Industrial Chapter



Morocco

Lithium Batteries

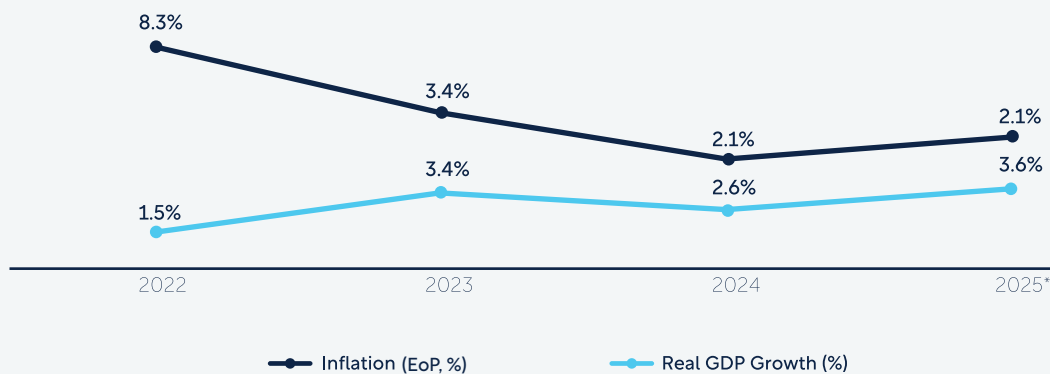
With 2025 GDP growth forecast at 3.8%, Morocco is leveraging key sectors like agriculture, renewable energy, and automotive manufacturing, which saw exports exceed USD 20 bn in 2024. Investments from Renault and Peugeot, improved infrastructure, and trade agreements have positioned Morocco as a regional industrial hub. Phosphate and green energy exports bolster reserves, while BAM's late-2024 rate cut supports easing inflation, projected at 3%. However, unemployment and drought remain critical challenges.



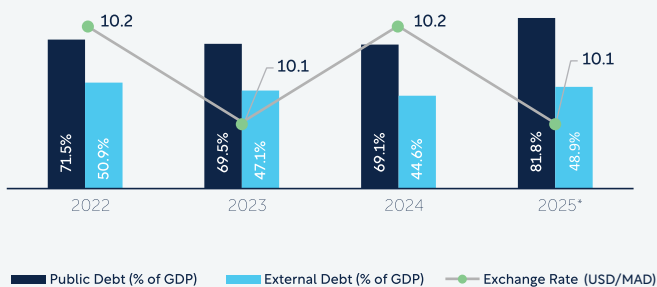
Morocco's ambitious climate strategy and renewable energy reforms aim to sustain momentum and reduce import reliance, but the question remains: can these efforts overcome the country's pressing challenges?



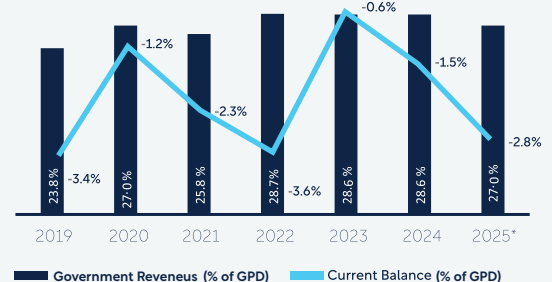
Balancing Growth and Prices



Debt Profile: External, Local, Vs. Exchange Rate



Tracking Fiscal Health: Government Revenues Vs. Current Balance



*Source: IMF

*Projections: IMF, S&P





Morocco: New Industrial Future

Recent Clean Energy Transitions

Investments in renewable energy projects in Morocco have jumped by nearly 42% over the past four years as a government drive to expand the sector gains pace:

- Morocco's Minister of Energy Transition and Sustainable Development said Morocco is targeting 52% of its energy production from renewable sources by 2030. While the country is steadily transitioning to renewable energy, fossil fuels still play a significant role in its energy mix. Morocco has been recognized as a leading African nation in renewable energy development by the Renewable Energy Country Attractiveness Index (RECAI). Projections suggest that the country will add over 1 GW of renewable energy capacity annually between 2023 and 2027. As well as that Morocco Cuts Key Rate in Boost for World Cup Investment Spree.



Morocco's Ministry of Energy Transition and Sustainable Development has signed an agreement with France's TotalEnergies to advance green hydrogen production in the Guelmim-Oued Noun region. This project, **valued at over USD 1 bn**, aims to harness Morocco's solar and wind resources for producing green hydrogen and ammonium.

Gotion High-Tech's **USD 1.24 bn** EV battery gigafactory in Morocco, set to begin construction in June 2026, will be powered by a 500MW wind power plant and a 2,000 MWh energy storage system developed in partnership with ACWA Power. The initial battery capacity of 20 GWh is expected to expand to 100 GWh, with the project potentially growing to **USD 6.5 bn**. This marks Morocco's first EV battery gigafactory, underscoring its commitment to renewable energy and becoming a key player in the global EV supply chain.



GE Vernova Inc. invested **USD 10.2 mn** in Xlinks First Ltd., the UK company planning a massive renewable power project in Morocco and a 4,000-kilometer (2,500 miles) undersea cable to deliver the energy to Britain.

Morocco is planning to launch its largest solar and wind power project in Western Sahara Desert to supply electricity to Casablanca city through an electricity network stretching nearly **1,400 kilometres**.



Ouarzazate Solar Power Plant, a large-scale solar energy project supported by the World Bank Group, contributing to Morocco's renewable energy goals. Estimated project cost c. **USD 1.5 bn**.

France + Morocco ink several clean energy agreements: French companies signed at least **EUR 10 bn**-worth of agreements to invest in Morocco's clean energy and infrastructure sectors.



IBRD has committed a **USD 350 mn** for greater Casablanca passenger mobility and logistics hub.

World Bank extends **USD 250 mn** in financing to support Morocco's climate-resilient agriculture.





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