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Flying remains safest mode of transport albeit safety is uncompromisable



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US inflation cooling lifts Qatar bourse sentiments



QIC Group first-half net profit scales up 11% to QR360mn

Qatar Insurance Company (QIC Group) posted a net profit of QR360mn in the first half of 2024 (H1), up 11% on QR325mn registered in the same period last year.

Gross Written Premiums (GWP) for H1-2024 totalled QR4.8bn, QIC said yesterday.

The results were approved at a meeting of the company Board of Directors presided over by chairman HE Sheikh Hamad bin Faisal bin Thani Jasim al-Thani yesterday.

Sheikh Hamad stated: "QIC's excellent H1 financial results reflect the strong momentum the company has built in the first six months of 2024. The Group is focused primarily on growing its presence in domestic and regional markets – an approach which has been bolstered by continued investment in its already best-in-class digital services."

QIC Group chief executive officer Salem al-Mannai said: "In a very promising set of results for H1-2024, the backbone of QIC's robust financial performance continues to be the company's exceptional operational efficiency, supplemented by a deliberate shift towards increasing the proportion of premiums generated in the Mena region.

"This is reflected in the fact that the domestic and Mena GWP increased by 44% year-on-year to QR2.7bn. As we move into the second half of the year, QIC is proactively pursuing further opportunities to create process efficiencies and foster automation, while continuing to prioritise growth in its profitable business lines in Qatar and the Middle East."

Al-Mannai added: "The strategic restructuring of our UK motor business is in line with QIC Group's strategy to streamline loss-making and low margin businesses and to bring the international operations of the Group back to profitability. This restructuring positions the Group for greater stability and profitability with controlled exposure to UK Motor as a reinsurer instead of direct insurer. As part of this decision, QIC Group will continue to own the Gibraltar-based subsidiaries, West Bay Insurance and Markerstudy Insurance Company.

"By successfully completing this restructuring, the Group is confident that it will have a well balanced portfolio between its Mena and international business. We are pleased with the outcome, and we look forward to further implementing our strategy, which has, so far, brought us significant success and improved consistent profitability."

Al-Mannai added: "Looking beyond these financial results, everyone at QIC can be tremendously proud of what we have achieved in the first half of this year. The company has once again won several respected industry awards – including being named 'Insurer of The Year in Qatar' at The Mena IR Awards for the third year in a row and gaining widespread recognition for its exceptional digital services. "We have brought together the leading experts in the region's insurance sector to analyse and explore one of its most significant trends: the increasing prevalence and utility of AI.



QIC Group chairman HE Sheikh Hamad bin Faisal bin Thani Jasim al-Thani.



QIC Group chief executive officer Salem al-Mannai.

We have also supported a number of extremely worthy initiatives, from children's early education in insurance matters to grassroots and professional sporting events".

The global macroeconomic environment showed some signs of stabilisation in the first half of 2024, particularly as inflation receded across much of the world.

While the catastrophic events in the first half of 2024 continued to impact global insurance markets, QIC with its now balanced portfolio mix has been able to successfully weather the challenges.

With global macroeconomic conditions potentially improving but still uncertain, and geopolitical risk remaining high, QIC has been steadfast in its longer-term strategy of focusing on profitable markets in Qatar and the Mena region, while exiting loss making and low margin international businesses.



This is showcased by the increase in GWP from its domestic and Mena operations by 44% in H1-2024, compared to the same period last year.

QIC currently has a balanced and well diversified portfolio with 57% of its insurance business written by the Mena entities and 43% of business underwritten by the international operations.

With regards to its lines of business, QIC recently focused on growing its personal lines and health insurance divisions, as well as marine and energy insurance.

While the company's exposure to the international motor insurance market has been intentionally reduced – particularly in the UK, as a result of supply chain challenges largely induced by Brexit – it continues to prioritise its award-winning motor insurance business in the Mena region.

More broadly, QIC's international insurance operations, which have been successfully slimmed down over the past few years, are exhibiting healthy combined ratios.

QIC Group posted insurance service results of QR339mn in H1-2024, compared to QR236mn in H1-2023.

QIC has shown considerable resilience to navigate the aforementioned global challenges, reporting an investment income of QR465mn for H1-2024, compared to QR501mn for the same period last year. The return on investments stood at 5%.

As of the end of H1-2024, the composition of QIC's investment portfolio continues to remain stable and consistent with the previous year.



QLM chairman Sheikh Saoud bin Khalid bin Hamad al-Thani.



QLM CEO Fahad al-Suwaidi.

QLM earns insurance revenue of QR574.4mn in the second quarter

QLM Life & Medical Insurance Company earned insurance revenue of QR574.4mn in the second quarter of 2024 compared to QR527.1mn in the same period last year.

The company's net profit totalled QR42.1mn in the first half of the year (H1) compared to QR46.7mn in the same period last year.

The earnings per share in the second quarter was QR0.12 per share as compared to QR0.13 in Q2-2023. Net investment and other income in Q2 stood at QR23.9mn compared to QR25.3mn in Q2-2023.

QLM chairman Sheikh Saoud bin Khalid bin Hamad al-Thani said: "Central to our mission is an unwavering focus on our members. By integrating advanced technologies with the deep knowledge of our experienced local experts, we ensure that our members receive unparalleled care, delivered with exceptional ease and precision. Through these carefully crafted approaches, we continually fortify our position as an essential option for our partners and stakeholders."

QLM CEO Fahad al-Suwaidi stated: "QLM's relentless drive to elevate industry standards continues to shape the future of insurance, locally and across the region. We blend cutting-edge technology with an insightful understanding of our members' various needs, ensuring that exceptional service is more than a promise — it's a daily reality.

"By keeping our members at the centre of all we do, ensuring their satisfaction and trust remain our top priorities as we continue to lead the way in the insurance sector."

QLM is a publicly listed Qatari company specialising in life and medical insurance solutions and aim at providing best-in-class service to its clients, with a unique value proposition.

The company's vision is to continuously provide outstanding healthcare services, by becoming the most trusted healthcare partner in Qatar and beyond, following a path of continued success in health insurance.



QLM building.

GIS reports QR356mn net profit in January-June 2024

Gulf International Services (GIS) - an umbrella entity of Gulf Drilling International, Gulf Helicopters, Al Koot and Amwaj - has reported a 27% year-on-year increase in net profit to QR356mn in the first half (H1) of this year.

The group reported a revenue of QR2.1bn, an increase of 9% on an annualised basis, on key drivers such as improved day rates, higher asset utilisation in the drilling segment, higher-flying hours in the aviation and improved premiums in the insurance, supported by major contract renewals.

GIS group achieved an Ebitda (earnings before interest, tax, depreciation and amortisation) of QR613mn in the period.

The growth in group revenues, coupled with a 40% reduction in finance costs largely due to debt restructure in the drilling segment, as well as increased profit from Amwaj post-merger led to an overall increase in the group's net earnings. On the other hand, the group's direct costs increased by 8%, primarily due to improved commercial activity.

Total assets grew 13% to QR11.6bn on rigs acquisition which were previously leased by Gulfdrill. The cash and short-term investments fell14% to QR1.1bn, due to dividend payment for 2023, but partially offset by positive cash flow generation in the first half of 2024.

The groups' total debt stood at QR5.5bn, increasing by 24% mainly on additional loan obtained to finance the purchase of the three offshore rigs from Seadrill.

The drilling segment reported a revenue of QR725mn due to improved revenue from the offshore rigs, lift boats and barge operations driven by improved day rates for certain contracts, coupled with higher asset utilisation.

Net earnings amounted to QR90mn compared with a net loss of QR22mn the same period in 2023.

This significant improvement in bottom-line profitability can be primarily attributed to growth in segment's topline and a 43% reduction in finance cost, aided by a one-off income of QR14mn as a result of the transaction with Seadrill.

The aviation segment reported a total revenue of QR571mn, reflecting a growth of 15%, driven by the increase in flying activities within both domestic and international operations.

The segmental net profit was QR188mn, a reduction of 18%, mainly due to previous year positive inflationary impact in relation to IAS 29 adjustment amounting to QR40mn against negative inflationary impact of QR1mn reported this year.

Revenue within the insurance segment increased by 11% to QR607mn, mainly linked to renewal of major contracts within the energy and medical line of business in addition to new contracts added from the general line of business. The segment net earnings increased significantly, reaching QR77mn, mainly supported by improved revenue coupled with recovery of the segment's investment portfolio, with an increase of QR8mn (+36%) noted on account of investment income for first half of 2024 versus first half of 2023.

Catering segment reported a share of revenue of QR203mn and a share of net profit of QR11mn, representing significant increase, mainly driven by the impact of the new merger with Shaqab and Atyab.

BUSINESS

Qatar ranks third in Mena, fifth globally in National Entrepreneurship Context Index

By Santhosh V Perumal
Business Reporter

Qatar has reported 'significant' growth in entrepreneurial activity with it ranking third in the region and fifth globally in National Entrepreneurship Context Index (NECI), according to Global Entrepreneurship Monitor (GEM) 2023/24 report.

The report reflects a substantial jump in Total Early-Stage Entrepreneurial Activity (TEA) and a rise in the Established Business Ownership Rate (EBO), particularly in the consumer services sector.

The TEA increased to 14.3% against 10.7% the previous year, reflecting a growing interest in entrepreneurship within Qatari society, it said.

Notably, 82.2% of the adults participating in the study in Qatar, view entrepreneurship as desirable career choice, the highest percentage recorded in the past five years.

In collaboration with the Global Entrepreneurship Monitor (GEM), Qatar Development Bank (QDB) launched the GEM – Qatar National Report 2023/24.

This annual study, produced in collaboration with the Global Consortium of Global Entrepreneurship Monitor, led by Babson College in the US and London Business School, provides valuable insights and comparative data with other countries in the region and around the world.

"The GEM report is an essential resource for understanding the dynamics of entrepreneurship in Qatar, including its achievements and challenges. The data and analyses provided in this report assist in formulating policies and strategies that support the local entrepreneurial ecosystem," said QDB chief executive officer Abdulrahman Hesham al-Sowaidi.

Qatar also ranked third regionally in terms of Importance of social and environmental values, with the report noting that Qatari entrepreneurs consider these values particularly important in decision-making processes.

Additionally, the report predicts substantial jump in the field of entrepreneurship in employment and international market exports, signalling a promising future for entrepreneurship in Qatar.

"This year, we have seen Qatar achieve a score of 5.9 in the National Entrepreneurship Context Index, surpassing the global average of 4.7, placing it fifth globally and third in the Middle East and North Africa (Mena). This progress motivates us to further develop our initiatives and programmes in line with the outcomes of the Third Qatar National Development Strategy and improving Qatar's entrepreneurial environment ranking regionally and globally," al-Sowaidi said.

QDB provides access to this report to deliver accurate data and detailed analyses to support entrepreneurs and enhance their understanding of the challenges and opportunities in the Qatari and international markets.

The report offers a comprehensive analysis of entrepreneurial activities, attitudes, and aspirations, serving as a vital resource for researchers and entrepreneurs aiming to deepen their understanding of entrepreneurship on a global scale.

Mannai Corporation reports net profit of QR67mn in H1-2024

Mannai Corporation has reported 78% year-on-year increase in net profit to QR67mn in the first half (H1) of 2024, driven by the jewellery and information and communication businesses.

A QR19mn in finance costs also helped improve the net earnings of the company, its spokesman said.

The group revenues were seen increasing by 6% on an annualised basis to QR2.8bn in January-June 2024.

Earnings before interest, taxes, depreciation and amortisation (Ebitda) grew by 6% to QR269mn in the first half of 2024.

US inflation cooling lifts QSE sentiments as index gains 37 points

By Santhosh V Perumal
Business Reporter



The foreign funds were seen bullish as the 20-stock Qatar Index settled 0.37% higher at 10,108.2 points, although it touched an intraday high of 10,130 points

Reflecting the global sentiments in the wake of signs of inflation cooling in the US, the Qatar Stock Exchange (QSE) yesterday gained about 37 points and its key index surpassed the 10,100 levels.

The foreign funds were seen bullish as the 20-stock Qatar Index settled 0.37% higher at 10,108.2 points, although it touched an intraday high of 10,130 points.

The telecom, consumer goods and banking counters witnessed higher than average demand in the main market, whose year-to-date losses truncated to 6.67%.

As much as 50% of the traded stocks extended gains to investors in the main bourse, whose capitalisation added QR3.75bn or 0.64% to QR588.85n on the back of midcap segments.

The Arab individuals turned net buyers in the main market, which saw 0.04mn exchange traded funds (sponsored by Masraf Al Rayan and Doha Bank) valued at QR0.1mn trade across 14 deals.

The domestic institutions continued to be net buyers but with lesser intensity in the main bourse, which saw no trading of treasury bills. The Gulf individuals were also continued to be bullish but with lesser vigour in the main market, which saw no trading of sovereign bonds. The Islamic index was seen gaining slower than the other indices in the main bourse, whose trade turnover and volumes were on the decline. The Total Return Index rose 0.37%, the All Islamic Index by 0.25% and the All Share Index by 0.49% in the main market. The telecom sector index shot up 3.51%, consumer goods and services (0.76%), banks and financial services (0.71%) and insurance (0.09%); while transport declined 0.75%, real estate (0.26%) and industrials (0.05%).

Major gainers in the main bourse include Mannai Corporation, Ooredoo, Vodafone Qatar, Al Meera, QLM, QNB, Mesaieed Petrochemical Holding and Gulf Warehousing. In the venture market, Al Mahhar Holding saw its shares appreciate in value. Nevertheless, Widam Food, Dukhan Bank, Al Faleh Educational Holding, Qatar Oman Investment, Nakilat and Barwa were among the shakers in the main market. The foreign institutions turned net buyers to the tune of QR11.22mn compared with net sellers of QR7.27mn on August 13.

The Arab individuals were net buyers to the extent of QR2.65mn against net profit takers of QR1.24mn the previous day.

However, the Qatari individuals' net buying declined substantially to QR11.08mn compared to QR2.23mn on Tuesday.

The Gulf individual investors turned net sellers to the tune of QR3.7mn against net buyers of QR1mn on August 13.

The foreign individuals were net sellers to the extent of QR0.45mn compared with net buyers of QR1.58mn the previous day. The Gulf institutions' net buying declined noticeably to QR0.35mn against QR4.34mn on Tuesday.

The domestic institutions' net buying shrank significantly to QR0.99mn compared to QR3.84mn on August 13. The Arab institutions had no major net exposure for the second straight session.

Trade volumes in the main market fell 14% to 102.42mn shares and value by 2% to QR295.49mn, while transactions were up 3% to 14,223.

The venture market saw 51% contraction in trade volumes to 0.82mn equities, 52% in value to QR1.62mn and 43% in deals to 57.

Turkiye's central bank expected to hold rates steady in August

Reuters
Istanbul

Turkiye's central bank is expected to leave its key interest rate unchanged at 50% in August, a Reuters poll showed yesterday, even though annual inflation started to decline.

All 17 respondents expected the bank to keep its policy rate steady in August.

The central bank raised its policy rate by 500 basis points to 50% in March, citing deterioration in the inflation outlook. It has kept the benchmark rate steady for four months since then, while vowing to act if the inflation outlook worsens.

In total, the bank has raised its policy rate by 4,150 basis points in a tightening cycle since June last year, reversing a previous low-rates policy championed by President Tayyip Erdogan to boost economic growth.

With further falls in inflation expected, the central bank is expected to start cutting the policy rate later this year, according to economists.

The median estimate of 14 economists saw the one-week repo rate standing at 45% at the end of this year.

Forecasts ranged from 40% to 50%. Four economists expect the first policy rate cut decision in October while another four expect it to happen in November.

Two economists expect the rate will be kept on hold until December while five economists expect the first policy rate easing to come in the first quarter of next year.

But any significant easing was not expected to come until next year, according to another poll conducted last month. The central bank was forecast to have reduced rates by 2,250 basis points to 27.50% by the end of 2025.

Last week, during an inflation report presentation, Central Bank Governor Fatih Karahan vowed to maintain a tight monetary policy stance, while maintaining end-2024 and end-2025 inflation forecasts at 38% and 14% respectively.

Karahan also said a tight monetary policy stance could be maintained even when the time comes for rate cuts.

Annual inflation fell to 61.78% in July, mainly due to the base effect, from a peak in May and is seen falling further with the impact of tight policy and a slowdown in domestic demand to stand at around 40% at the end of this year.

Morgan Stanley said it expects the policy rate to be maintained in the remainder of the year, as an increase in geopolitical risks and volatility in global markets is seen resulting in rates being held higher for longer.

"Relatively stable FX since end-March and the ongoing slowdown in domestic demand should support a decline in the underlying inflation trend," the bank said in a research note.

"Risks related to relative price adjustments... pricing behaviour in services subgroups, as well as elevated inflation expectations do not leave much room for easing... Given ongoing risks around the pace of disinflation, we continue to expect the first rate cut in February."

US consumer inflation sees smallest annual rise since 2021

AFP
Washington

US consumer inflation eased slightly in July, according to government data published yesterday, its smallest 12-month increase since March 2021 and a positive sign for the Federal Reserve as it weighs cutting interest rates.

The consumer price index (CPI) eased to 2.9% last month from a year ago, down slightly from 3.0% in June, the Labor Department said in a statement, while a measure that strips out volatile food and energy costs cooled to an annual rate of 3.2%. This was slightly lower than the median forecast of economists surveyed by Dow Jones Newswires and The Wall Street Journal.

The monthly inflation rate picked up by 0.2% after declining in June, in line with expectations.

"Today's report shows that we continue to make progress fighting inflation and lowering costs for American households," US President Joe Biden said in a statement.

"We have more work to do to lower costs for hardworking Americans, but we are making real progress, with wages rising faster than prices for 17 months in a row," he added.

But a spokesperson for Donald Trump's presidential campaign team took a different view of the data, seeking to blame Vice-President and Democratic presidential nominee Kamala Harris for the cumulative rise in prices since Biden took office in January 2021.

"Under Kamala Harris, everything costs 20% more than it did under president Trump," Trump Campaign national press secretary Karoline Leavitt said in a statement. "America cannot afford another four years of Kamala's failed economic policies". Almost 90% of the monthly increase was down to a 0.4% increase in shelter costs, the Labor Department said. Energy prices remained unchanged, while the index for food rose 0.2%.

So-called "core" inflation, excluding volatile food and energy prices, also eased last month to 3.2% — its lowest level since April 2021.

The July CPI data are good news for US Federal Reserve as it weighs the right time to start bringing interest rates down from a 23-year high. The US central bank has been attempting to lower inflation to its long-term target of 2% without crashing the economy or causing a surge in the unemployment rate, known as a "soft landing".

US considers breakup of Google to address search monopoly

Bloomberg
Washington



Google headquarters in Mountain View, California. A bid to break up Google is one of the options being considered by the Justice Department after a landmark court ruling found that the company monopolised the online search market.

A bid to break up Alphabet Inc's Google is one of the options being considered by the Justice Department after a landmark court ruling found that the company monopolised the online search market, according to people with knowledge of the deliberations.

The move would be Washington's first push to dismantle a company for illegal monopolisation since unsuccessful efforts to break up Microsoft Corp two decades ago. Less severe options include forcing Google to share more data with competitors and measures to prevent it from gaining an unfair advantage in AI products, said the people, who asked not to be identified discussing private conversations.

Regardless, the government will likely seek a ban on the type of exclusive contracts that were at the centre of its case against Google. If the Justice Department pushes ahead with a breakup plan, the most likely units for divestment are the Android operating system and Google's web browser Chrome, said the people. Officials are also looking at trying to force a possible sale of AdWords, the platform the company uses to sell text advertising, one of the people said.

The Justice Department discussions have intensified in the wake of Judge Amit Mehta's August 5 ruling that Google illegally monopolised the markets of online search and search text ads. Google has said it will appeal that decision, but Mehta has ordered both sides to begin plans for the second phase of the case, which will involve the government's proposals for restoring competition, including a possible breakup request. A Google spokesman declined to comment on the possible remedy. A Justice Department spokeswoman also declined to comment.

The US plan will need to be accepted by Mehta, who would direct the company to comply. A forced breakup of Google would be the biggest of a US company since AT&T was dismantled in the 1980s. Justice Department attorneys, who have been consulting with companies affected by Google's practices, have raised concerns in their discussions that the company's search dominance gives it advantages in developing artificial intelligence technology, the people said. As part of a remedy, the government might seek to stop the company from forcing websites to allow their content to be used for some of Google's AI products in order to appear in search results.

Divesting the Android operating system, used on about 2.5bn devices worldwide, is one of the remedies that's been most frequently discussed by Justice Department attorneys, according to the people. In his decision, Mehta found that Google requires device makers to sign agreements to gain access to its apps like Gmail and the Google Play Store.

Those agreements also require that Google's search widget and Chrome browser be installed on devices in such a way they can't be deleted, effectively preventing other search engines from competing, he found.

Mehta's decision follows a verdict by a California jury in December that found the company monopolised Android app distribution. A judge in that case hasn't yet decided on relief.

Tips for a smoother summer of air travel

By Alex Macheras



The summer season is in full swing, and airlines are trying to maximise revenue before the more modest, potentially 'weak' winter demand approaches later this year. Across several markets, people are gearing up for travel during this period, and luckily, it's been relatively smooth across the board in global aviation when you compare the performance with previous summers that were fuelled by staff shortages, strike action and delays.

To ensure a smoother journey, I've put together a quick list of some considerations ahead of travel.

One of the main concerns for travellers is the possibility of losing their luggage. To alleviate this worry, consider packing Apple Air Tags or similar tracking devices. These small, electronic tags became the most sought-after travel tool last year; and all you need to do is place one inside your luggage, allowing you to track its location with ease. If your bag goes missing or is mistakenly placed on a different flight, the Air Tag will enable you to pinpoint its exact whereabouts. This invaluable tool can significantly improve the chances of a swift recovery of your belongings, as very often when a bag doesn't arrive, the airport staff's biggest hurdle to overcome is to try to determine where the bag is in the first place. Air traffic in Europe this summer is expected to be up to 15% above the traffic levels of last year– that's over 37,000 flights per day – which is a lot of luggage to handle.

At this time of year, when schedules are packed very tight, it's worth considering choosing morning flights, if you're able to. Generally, morning departures tend to have a better on-time performance compared to afternoon flights because aircraft often spend the night on the ground, allowing for maintenance and preparation. Consequently, the first flights of the day benefit from a higher likelihood of departing on schedule, minimising the potential for delays, or missed connections.

Before you embark on your journey, it's essential to review your airline's luggage allowance rules. Airlines frequently review and then update their onboard luggage policies, especially low-cost carriers. By checking the latest regulations, you can avoid any surprises or additional fees at the airport. Be mindful of size, weight, and quantity restrictions for both checked and carry-on luggage. Familiarising yourself with these guidelines in advance will help you pack efficiently and ensure a hassle-free check-in process.

If you are a traveller who collects miles and points, it's important to take advantage of airline alliances and their associated benefits. Many airlines form alliances, such as the oneworld alliance, which includes Qatar Airways, British Airways, Iberia, Finnair, American Airlines, and others. By being a member of one airline's frequent flyer programme, your status benefits extend to other alliance members. For instance, if you are entitled to an extra checked bag with Qatar Airways, you can enjoy the same perk when flying with any other oneworld alliance member, such as an intra-European flight with Iberia. By leveraging these alliances, you can maximise the value of your loyalty programme benefits and enhance your overall travel experience. This includes priority check-in, access to airport lounges, and preferential treatment throughout your journey. Always remember to provide your frequent flyer number when booking flights to ensure you receive the associated perks and maintain your status within the alliance or inform the check in agent of your frequent flyer number if it's not already in the system.

Utilise technology to enhance your air travel experience. Download airline apps on your smartphone. These apps allow you to conveniently access your mobile boarding passes, but crucially - airline apps often provide real-time updates on flight statuses, gate changes, and baggage claim information, keeping you informed throughout your journey. Beyond airline-specific apps, there are numerous travel apps available that can assist with itinerary management, hotel bookings, and exploring your destination.

When preparing for your flight, it's worth checking the specific aircraft operating your flight and using that information to choose your seat strategically. For instance, in economy class on a Boeing 777, it's important to note that not all seats are created equal. By researching the seating configuration of the airline and aircraft, you can discover seats with extra legroom, or also find out about 'missing windows or the proximity to the lavatories.

Another tip – even though these are the warmest of the summer months, it's wise to pack a hoodie or a similar warm layer when flying. Aircraft cabins are notorious for being cool, and sometimes cold, due to the air conditioning systems in place. Regardless of the outside temperature, the interior of the plane can feel chilly during the flight. When it comes to booking your flights, it's generally advisable to book directly with the airline or a reputable third-party company rather than opting for unknown companies simply offering the lowest fare airline. When choosing a third-party company, it's important to ensure they have a good reputation and positive customer reviews to avoid potential scams or unreliable services - there are many 'companies' out there advertising cheap airline fares that simply do not exist, and you'll only find out once it's too late and a payment has been made. Prioritise transparency, reputation, and customer reviews.

Travellers should exercise caution when booking flights with departure times shortly after midnight, such as 01:00am. Here in the Middle East, many flights heading to Europe depart between 01:00am-02:00am, and it's important to be aware that the published date of the flight is technically different from the 'date' you need to arrive for check-in. For a 01:00am flight, you should arrive for check-in around 2-3 hours before, which is late at night of the day (date) before the published departure date.

If you're staying in a hotel abroad, informing the hotel staff of your expected arrival time can potentially grant you early access to your room. When you communicate your arrival time to the hotel in advance, it allows them to make necessary arrangements and preparations to accommodate your needs. Hotels often prioritise guest satisfaction and aim to provide a smooth check-in process. By notifying them of your expected arrival, they can allocate rooms, resources, and personnel, accordingly, ensuring that your room is ready and available upon your arrival. Whether it's by phone, e-mail, or through the hotel's online booking platform, it's helpful for both the hotel and travellers.

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Flying remains safest mode of transport albeit safety is uncompromisable

By Pratap John



Passengers at Haneda Airport in Tokyo. Despite the recent airline crash in Brazil and many other recorded airline incidents around the world, flying remains the safest mode of transport.

A regional turboprop plane crashed near Sao Paulo in Brazil on August 9, killing all 61 people on board.

Video shared on social media showed the ATR-72 aircraft, which was bound for Sao Paulo's international airport from Cascavel, in the state of Parana, spinning out of control as it plunged down behind a cluster of trees near houses, followed by a large plume of black smoke.

Franco-Italian ATR, jointly owned by Airbus and Leonardo, is the dominant producer of regional turborprop planes seating 40-70 people.

Despite the recent airline crash in Brazil and many other recorded airline incidents around the world, flying remains the safest mode of transport.

A recent report by the International Civil Aviation Organisation (ICAO) indicated that 2023 was the safest year in the past five years in terms of safety indicators such as global accident rate, number of fatal accidents, total fatalities and fatality rate.

According to ICAO data, the global passenger traffic continued to increase in 2023 with around 4.2bn passengers transported worldwide, up from 3.2bn passengers in 2022.

Although still slightly below pre-pandemic (2019) levels with 4.5bn passengers having been transported worldwide, passenger traffic in 2023 increased 30% from 2022.

The number of flight departures for scheduled commercial operations continued to increase by approximately 13% with over 35mn departures in 2023, compared to around 31mn in 2022.

Yearly accident statistics indicate a slight increase in the total number of accidents and a decrease in the global accident rate in 2023.

From 2022 to 2023, there was a 3.1% increase in the total number of accidents, as reported by states, noting that the flight departures increased around 13% during the same period of time.

The global accident rate of 1.87 accidents per million departures in 2023 decreased by 17.9% from the 2022 rate of 2.05 accidents per million departures.

In 2023, scheduled commercial air transport accidents resulted in 72 fatalities representing a more than 50 per cent decrease from 160 in 2022, as well as a decrease in fatality rate of 17 people per billion passengers from 50 per billion in 2022.

The number of fatal accidents significantly decreased from seven in 2022, to one in 2023.

Recently, the International Air Transport Association announced that the number of airline CEOs committing to the IATA Safety Leadership Charter has reached 73. This reinforces aviation's already strong safety culture which contributed to some best-ever results in 2023, including no fatalities among IATA member airlines or the airlines on the IATA Operational Safety Audit Registry.

"Strong leadership and strong safety culture are interdependent. And both are needed to drive continuous improvements in safety performance. By putting their names to the IATA Safety Leadership Charter, 73 airline CEOs have set an example for their airlines and for the industry. In doing so, the Charter is a call to action that keeps in focus the critical obligation of airline CEOs to lead a safety culture that keeps their passengers and staff safe," noted Willie Walsh, IATA's Director General.

Walsh noted previously: "2023 safety performance continues to demonstrate that flying is the safest mode of transport. Aviation places its highest priority on safety and that shows in the 2023 performance. Jet operations saw no hull losses or fatalities. 2023 also saw the lowest fatality risk and all accident rate on record. A single fatal turboprop accident with 72 fatalities, however, reminds us that we can never take safety for granted. And two high profile accidents in the first month of 2024 show that, even if flying is among the safest activities a person can do, there is always room to improve. This is what we have done throughout our history. And we will continue to make flying ever safer." Undoubtedly, the air transport industry plays a significant role in global economic activity and development. One of the key elements to maintaining the vitality of civil aviation is to ensure safe, secure, efficient and environmentally sustainable operations at the regional, national and global levels.

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Beyond the Tarmac

Boeing orders rebound in July thanks to Farnborough airshow

AFP
New York

US aircraft manufacturer Boeing's orders rebounded in July after a first half of the year overshadowed by quality control problems, and remained on track with deliveries, according to data unveiled on Tuesday.

In the wake of the Farnborough International Airshow in the United Kingdom in July, Boeing said it had booked 72 orders (gross and net), including 57 for its flagship 737 Max aircraft.

Orders for the Max came mainly from two leasing companies: Aviation Capital Group (ACG) which ordered 35, and Macquarie AirFinance which ordered 20.

The orders also included 10 787-9 Dreamliner aircraft purchased by Japan Air Lines, with an option for a further 10.

This order, worth more than $3bn, had been announced in March, but was only finalized at Farnborough in July. A final five 777 wide-body aircraft were also ordered last month, Boeing said. The strong figures for July mark a significant change from May and June, when Boeing's net orders were just three and 12, respectively.

In the first seven months of the year, Boeing won 228 gross orders, but a net figure of only 98, after cancellations and conversions were taken into account. Over the same period last year, it won 579 orders, according to its website.

The order book contained 6,184 aircraft as of July 31, including almost 4,200 737 Max jets.

In terms of deliveries, Boeing remained on track for July, handing over 43 aircraft to their owners, including 31 737 Max aircraft, six Dreamliners, four 767s and one 777 freighter.



A worker walks near Boeing 737 fuselages outside the Boeing Co manufacturing facility in Renton, Washington. Boeing's orders rebounded in July after a first half of the year overshadowed by quality control problems.

AirBaltic plans expansion with Airbus A220 order

Bloomberg
Riga, Latvia

AirBaltic Corp AS is doubling down on its all-Airbus SE A220 fleet, with the Latvian carrier placing its fourth follow-on order for the model to help accelerate growth in its home market.

The carrier firmed up options for an additional 10 jets to its previous 30-plane order announced in Dubai in 2023, AirBaltic said in a statement on Tuesday. The airline already operates a fleet of 48 A220s, and the new batch will be delivered from 2026, it said.

Latvia's flagship carrier is one of the biggest operators of the A220, with plans to grow the fleet to almost 100 aircraft. Chief Executive Officer Martin Gauss has been a strong advocate for the A220, describing the model as the "backbone" of AirBaltic's operations.

"We will in the future secure more and then these 100 airplanes are supposed to expand our operations from the Baltics," Gauss said in an interview.

AirBaltic plans to base more aircraft in Latvia, Estonia and Lithuania and expand further into the Nordics as the fleet grows. The company will also increase flight frequencies from destinations where it makes sense, Gauss said.

The airline is among carriers impacted by the Pratt & Whitney engine issues afflicting Airbus aircraft.

Gauss said in July that the situation was improving, with fewer jets on the ground compared with last summer.

AirBaltic plans to go ahead with a potential IPO in the second half of the year after recording its first annual profit since 2018. The Latvian state owns almost 98% of AirBaltic's shares.

JetBlue Airways begins $2.75bn debt sale, gets two downgrades

Bloomberg
New York

JetBlue Airways Corp has kicked off a $2.75bn bond-and-loan sale backed by its loyalty programme as the carrier seeks to raise reserves and fund general corporate purposes.

Meanwhile, Moody's Ratings and S&P Global Ratings both downgraded the airline to one notch about triple C levels. JetBlue not having such grades is key because collateralised loan obligations — the biggest buyers of leveraged loans — have limits on how much of the riskiest junk debt they can own.

Shares fell as much as 19% on Monday as the carrier said it plans to sell at least $400mn of five-year convertible notes to repurchase some of it convertibles due in 2026.



A JetBlue Airbus A320 aircraft at Terminal B of LaGuardia Airport in New York. JetBlue Airways has kicked off a $2.75bn bond-and-loan sale backed by its loyalty programme as the carrier seeks to raise reserves and fund general corporate purposes.

The coupon being offered is 2-2.5%, according people familiar with the situation. JetBlue is looking to sell $1.5bn of seven-year bonds callable in three years and a $1.25bn five-year term loan, the company said in a statement. Both are set to price, according to different people familiar with the matter who asked not to be identified because the information is private.

Price talk for the loan is a margin as much as 550 basis points above the Secured Overnight Financing Rate, offered at a discount of 98 cents on the dollar, one of the people said.

Bloomberg reported last week that JetBlue was working with Barclays Plc and Goldman Sachs Group Inc on the $2.75bn deal. The firms are respectively leading the loan and bond deals, the people familiar with the matter said.