

# Bahrain Economic Quarterly

**Q2 2024**

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## Real GDP Growth

Preliminary data released by the Information & e-Government Authority

Total GDP

▲ **+1.3%**

Non-Oil Activities

▲ **+2.8%**

## Key Growing Economic Activities

(YoY)



▲ **+12.9%**

Transportation  
& Storage



▲ **+11.2%**

Information  
& Communication



▲ **+10.6%**

Accommodation  
& Food Service



▲ **+2.1%**

Financial &  
Insurance

## Key Performing Economic Indicators

(YoY)



▲ **+15.6%**

Passengers through  
Bahrain International  
Airport



▲ **+8.9%**

Mobile  
Subscribers



▲ **+20.8%**

Number of  
Overnight Visitors



▲ **+7.8%**

Aggregate Balance  
Sheet of the  
Banking System

## Bahrain's Performance in Global Competitiveness Indicators



Improved by  
**36 Spots**

UN e-Government Survey 2024

Classified within the highest  
rating class of 'Very High'

Classified as  
(Tier 1 – Role-Modelling) country

Global Cybersecurity Index 2024

Achieved a full score  
on 4/5 pillars



## Global Economy

- ◆ Global growth is expected to reach 3.2% in 2024 and 2025 from 3.1% in 2023
- ◆ The oil market is being challenged by lower demand growth expectation at a time when supply is expected to begin to recover. This has unleashed a period of renewed price volatility

The OECD's Economic Outlook Interim Report of September 2024 projects stable global economic growth of 3.2% in both 2024 and 2025. This outlook is supported by decreasing inflation, rising real incomes, and progressively looser monetary policy, which can be expected to support demand.

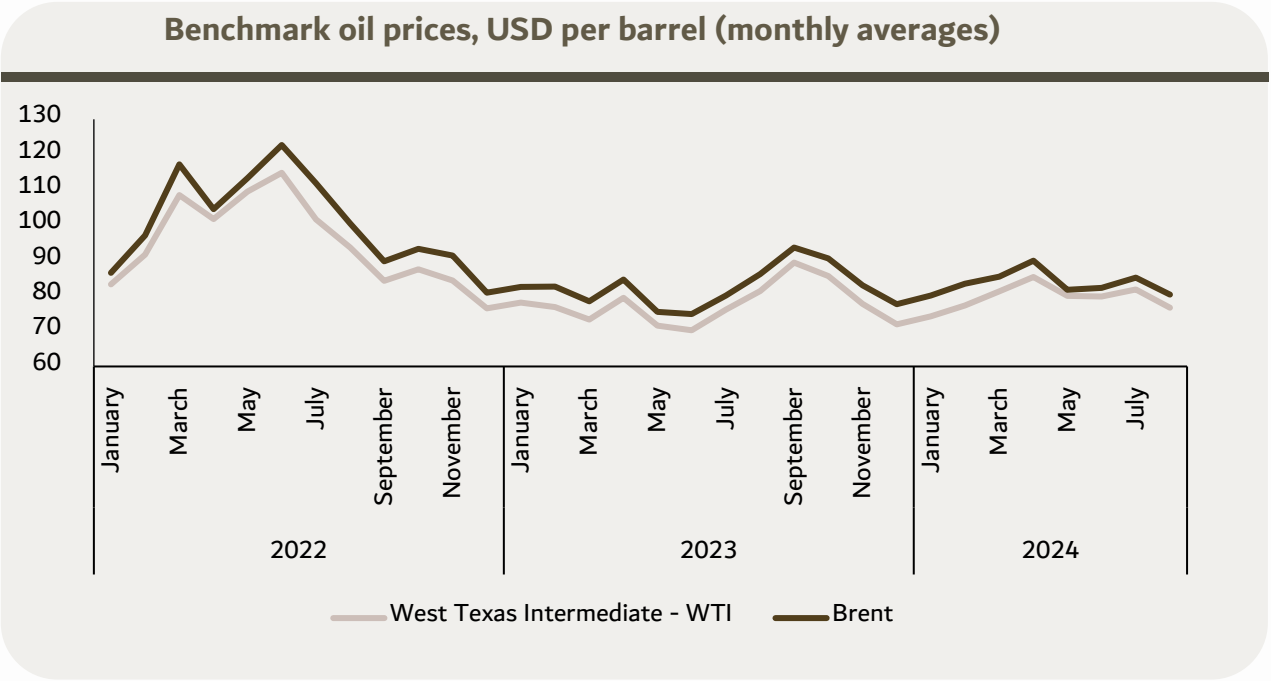
GDP growth in the US is expected to see an economic slow from 2.6% in 2024 to 1.6% in 2025, although monetary easing should ensure a “soft landing.” The euro area is expected to see moderate growth of 0.7% in 2024, followed by a pick-up to 1.3% in 2025 due to improving real incomes and credit conditions. However, political uncertainties will likely continue to weigh on growth in key countries such as Germany and France.

China's economic growth is also projected to continue to moderate to an estimated 4.9% in 2024 and 4.5% for 2025. The economy is expected to benefit from new government stimulus measures, especially amid weak consumer demand and challenges in the real estate sector.

Globally, Inflation pressures are easing, largely due to falling prices for food, energy, and other commodities. In G20 economies, Inflation is expected to drop from 6.1% in 2023 to 5.4% in 2024, and further to 3.3% in 2025, supported by lower commodity prices. Inflation expectations in advanced economies are falling closer to central banks targets, which should help ensure continued cuts in interest rates. The recent sharp decline in oil prices, coupled with decreasing global food prices, may apply additional downward pressure on inflation in the short term. If oil prices remain low, it is projected that global inflation could decrease by approximately 0.5 percentage points over the next year.

The oil market appears to have entered a period of renewed volatility amid mixed economic signals and global political challenges. Market confidence has been tested by signs of weaker demand from China at a time when the OPEC+ producers are showing more willingness to begin to unwind their production cuts. The Brent benchmark price averaged USD 74.0 per barrel in September 2024, which marked a 7.9%

drop from August and 21.0% drop from September 2023. The International Energy Agency recently lowered its global oil demand forecasts by 0.1 mbd to 0.9 mbd in 2024 and 1 mbd in 2025. OPEC expects slower growth of 2 mbd in 2024 and 1.7 mbd in 2025.



Source: US Energy Information Administration

## Gulf Cooperation Council Economy

The economies of the Gulf Cooperation Council (GCC) countries have demonstrated positive performance in non-oil activities during 2024 despite the global challenges, while the oil activities declined due to supply cuts implemented by OPEC+. However, factors such as interest rate cuts and the gradual increase in oil production are expected to persist the economies of GCC countries.

According to the preliminary data released by the General Authority for Statistics, the Kingdom of Saudi Arabia's real GDP recorded a 0.3% YoY decline in GDP in Q2 2024. This decrease is attributed to an 8.9% YoY drop in oil-related activities due to compliance with OPEC+ production cut quotas. Non-oil activities grew by 4.9% YoY, while government activities grew by 3.6%. In addition, the Riyadh Bank and S&P Global Purchasing Managers Index (PMI) rose to 56.3 points in September 2024, indicating a monthly acceleration in non-oil activities. The index has shown an overall strong performance this year, averaging 55.9 points since the beginning of the year.

The National Statistical and Information Centre of the Sultanate of Oman reported that real GDP grew by 2.8% YoY in Q2 2024, reinforced by the growth of non-oil activities, which saw an increase of 4.7% YoY. The oil sector, however, saw a decline of 2.6% YoY.



Bahrain’s Economic Performance

According to preliminary National Accounts data released by the Information and eGovernment Authority, real growth in Bahrain accelerated to 2.3% YoY in H1 2024, with a value of BHD7,333.2 Mn. Non-oil activities grew by 3.1%, while the oil activities recorded a decline of 2.1% YoY. On the other hand, GDP at nominal terms recorded a growth of 2.9% YoY, with a nominal value of BHD8,663.5 Mn, led by the by a growth of 2.8% in non-oil activities and oil activities by 3.6% YoY.

As for Q2 2024, Bahrain’s GDP grew by 1.3% YoY in real terms in Q2 2024, amounted for BHD3,721.9 Mn. This growth was supported by the growth in the non-oil activities by 2.8%. However, the oil sector recorded a 6.7% YoY decline. In nominal terms, GDP grew by 2.4% YoY in Q2 2024, with a nominal value of BHD4,377.0 Mn, aided by both the non-oil and oil sectors, which rose by 2.7% YoY and 0.5% YoY, respectively.

According to the Ministry of Finance and National Economy projections, real GDP is expected to grow by 3.0% in 2024. This growth will be driven primarily by a diverse range of non-oil activities, which is forecasted to expand by 3.8% during 2024. Looking ahead to 2025, real GDP growth is projected to accelerate to 3.8%. The non-oil activities are anticipated to experience an even stronger expansion of 4.5% during the year 2025, as expected progress around the Bapco Modernization Program will be fully seen.

Key Economic Indicators				
	2022	2023	2024	2025
	Actual	Prelim	Forecast	Forecast
Real GDP growth	6.0%	3.0%	3.0%	3.8%
Non-oil activities	7.5%	4.0%	3.8%	4.5%
Oil activities	-1.4%	-2.4%	-1.0%	0.0%
Nominal GDP growth	14.3%	-1.3%	4.8%	4.8%
CPI	3.6%	0.1%	1.0%	1.5%
Current account (% of GDP)	14.6%	5.9%	6.1%	7.8%

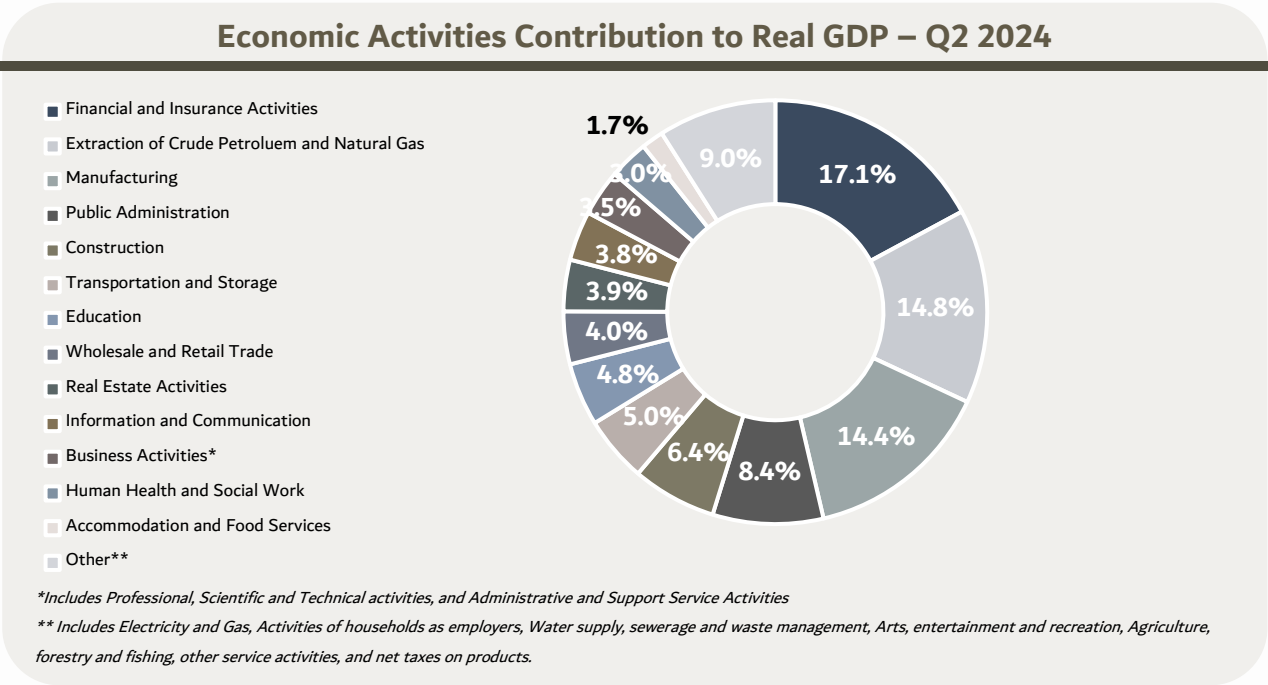
Source: Ministry of Finance and National Economy estimates

Non-oil Activities

The non-oil activities play a pivotal role in supporting economic growth in the Kingdom of Bahrain, contributing 85.2% to real GDP in Q2 2024, to reach a total value of BHD3,170.0Mn. This continues to achieve record levels across the region, reflecting the sustained efforts toward economic diversification across various industries within the economy.

During H1 2024, the non-oil activities recorded a growth rate of 3.1% in real terms, with a value of BHD6,272.1Mn. The performance of the non-oil activities in nominal terms also witnessed a growth of 2.8% YoY. to reach a value of BHD7,477.1Mn.

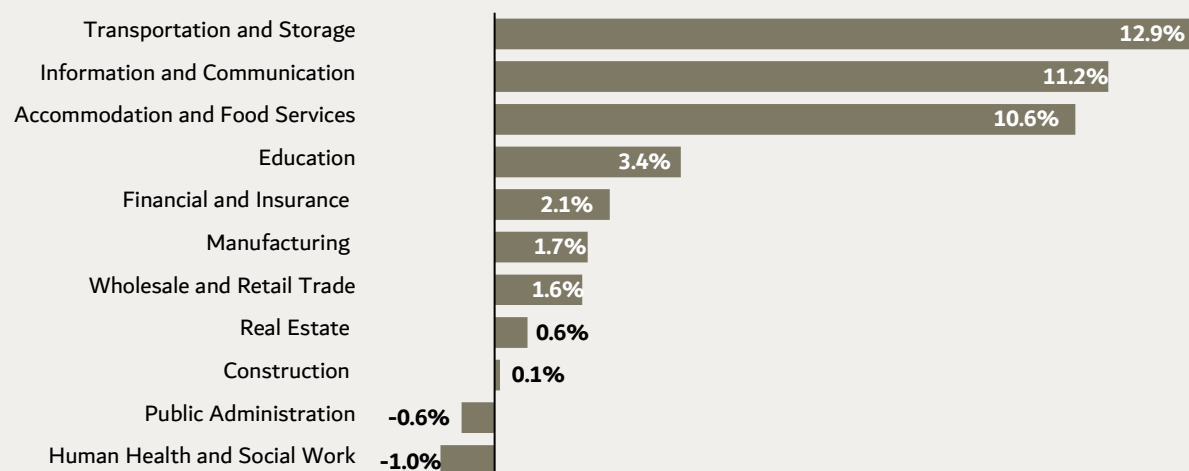
As for the contribution of non-oil activities to GDP during Q2 2024, Financial and Insurance Activities remains the largest contributor, accounting for 17.1% of real GDP, followed by Manufacturing at 14.4% and Public Administration at 8.4%. Construction contributed 6.4% to GDP, while Transportation and Storage accounted for 5.0%. Additionally, Education recorded a contribution of 4.8%, while Wholesale and Retail Trade, Real Estate Activities, and Information and Communication recorded comparable contributions of 4.0%, 3.9%, and 3.8%, respectively. Business Activities and Human Health and Social Work accounted for 3.5% and 3.0%, respectively, while the Accommodation and Food Services contributed 1.7% of GDP.



Source: Information & eGovernment Authority



### Real GDP Growth by Non-oil Economic Activity – Q2 2024 (YoY)



Source: Information & eGovernment Authority

### Real GDP Growth Rates by Economic Activity (YoY)

Year	2023	2024		
Activity	Annual	Q1	Q2	H1
Crude Petroleum and Natural Gas	-2.4%	3.4%	-6.7%	-2.1%
Manufacturing	0.8%	3.9%	1.7%	2.8%
Construction	0.8%	-0.6%	0.1%	-0.3%
Wholesale and Retail Trade	7.0%	5.7%	1.6%	3.6%
Transportation and Storage	1.6%	5.3%	12.9%	9.1%
Accommodation and Food Services	8.0%	10.7%	10.6%	10.7%
Information and Communication	6.7%	6.6%	11.2%	8.7%
Financial and Insurance Activities	5.7%	7.5%	2.1%	4.7%
Real Estate Activities	6.1%	0.9%	0.6%	0.8%
Business Activities	9.2%	6.8%	11.9%	9.4%
Public Administration	6.8%	-0.3%	-0.6%	-0.4%
Education	0.8%	4.7%	3.4%	4.0%
Human Health and Social Work	4.7%	5.5%	-1.0%	2.2%
Other	3.0%	-4.0%	1.1%	-1.5%
<b>GDP</b>	<b>3.0%</b>	<b>3.3%</b>	<b>1.3%</b>	<b>2.3%</b>
<b>Non-oil GDP</b>	<b>4.0%</b>	<b>3.3%</b>	<b>2.8%</b>	<b>3.1%</b>

Source: Information & eGovernment Authority

According to preliminary estimates, the non-oil activities maintained a strong performance, experiencing a growth of 2.8% YoY in real terms in Q2 2024, and the activities' performances are as follows:

#### ◆ **Transportation and Storage**

Transportation and Storage achieved the highest growth rate at 12.9% in Q2 2024. This growth can be attributed to several factors such as the increase in the number of passengers through Bahrain International Airport by 15.6% YoY as well as the increase in aircraft movement at Bahrain International Airport by 14.4% YoY. Additionally, total cargo at Bahrain International Airport increased by 9.1% YoY, and containers throughput at Khalifa bin Salman Port rose by 8.5% YoY.

#### ◆ **Information and Communications**

Information and Communications experienced a growth of 11.2% YoY in Q2 2024. The total number of mobile subscribers grew from almost 2.30 Mn in Q2 2023 to approximately 2.50Mn in Q2 2024, an increase of 8.9% YoY. Additionally, the total number of mobile broadband subscribers increased by 4.2% to reach 2.4Mn subscriptions in Q2 2024, giving it a penetration rate of 154%, an increase of 11 percentage points from Q2 2023.

#### ◆ **Accommodation and Food Service Activities**

According to the tourism survey carried out by the Information and eGovernment Authority and the Bahrain Tourism and Exhibition Authority, Accommodation and Food Service Activities witnessed a YoY growth rate of 10.6% in Q2 2024, with both the number of overnight visitors and the number of same-day visitors increasing during the quarter, growing by 20.8% and 17.9% YoY respectively, resulting in a total of 3.7Mn tourists during the quarter.

#### ◆ **Financial and Insurance Activities**

Financial and Insurance Activities, the largest contributor to GDP, grew by 2.1% YoY in Q2 2024. This growth can be attributed to several positive financial indicators, including a 14.7% YoY increase in the total value of the Electronic Fund Transfer System (Fawri+, Fawri, and Fawateer), reaching a total of BHD8.3Bn in Q2 2024. Additionally, the aggregate balance sheet of the banking system expanded by 7.8%.

**◆ Manufacturing**

In Q2 2024, Manufacturing grew by 1.7% YoY, aided by the growth in both Bapco Refining production and Aluminum Bahrain (Alba) sales, which increased by 2.8% and 1.3% YoY respectively in Q2 2024. On the other hand, Gulf Petrochemical Industries Company (GPIC) production decreased slightly by 0.5% YoY. Additionally, the total production capacity of licensed factories increased by 2.7% YoY. With respect to Bapco Modernization Program, it reached a total completion rate of approximately 97%.

**◆ Wholesale and Retail Trade**

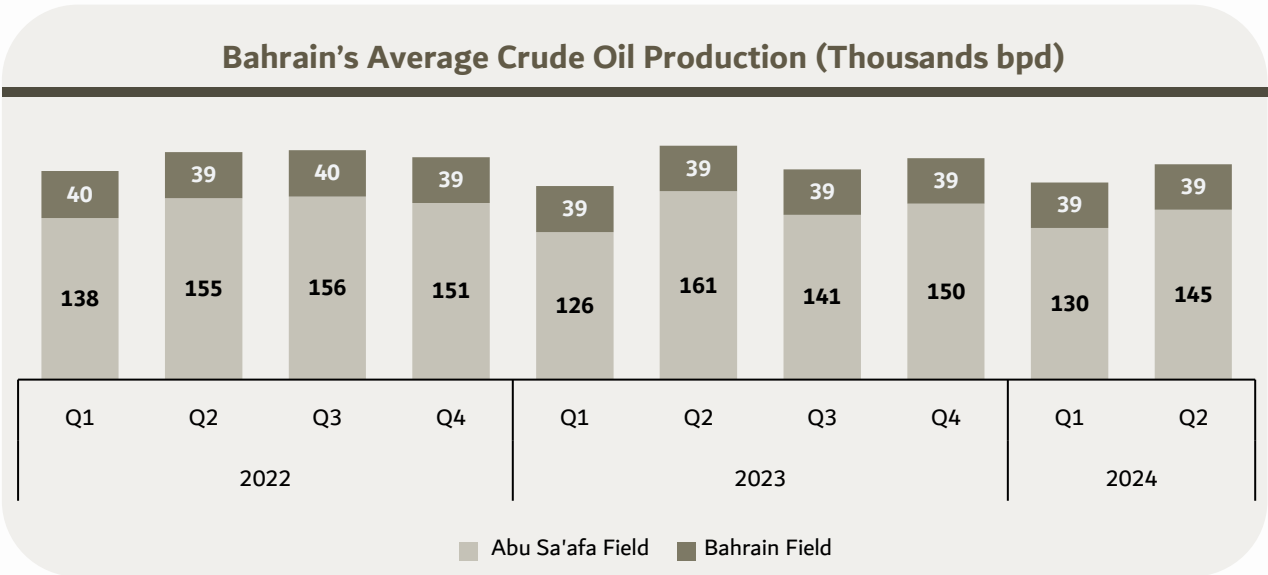
Wholesale and Retail Trade experienced a growth of 1.6% YoY during Q2 2024, driven by the 11.3% YoY increase in the value of Point of Sale and e-Commerce transactions, as well as the 7.4% YoY rise in newly issued Company Commercial Registrations.

Oil Activities

- ◆ The oil activities accounted for 14.5% of Bahrain’s real GDP during H1 2024
- ◆ A decline by 2.1% YoY in real terms was recorded in H1 2024

During H1 2024, oil activities recorded a decline of 2.1% in real terms compared to H1 2023, amounting for BHD1,061.0Mn. In nominal terms, a growth of 3.6% was recorded with a total value of BHD1,186.5Mn, due to the increase in the average global oil price during 2024. Brent crude averaged USD 84.6 during Q2 2024, increasing by 8.1% YoY, after it averaged USD 78.3 during Q2 2023.

The contribution of oil activities to real GDP reached 14.8% in Q2 2024 amounting for BHD 551.9Mn, while its performance declined by 6.7% YoY, primarily due to lower production in Abu Sa’afa field. Furthermore, in nominal terms, the oil activities recorded a 0.5% YoY growth in Q2.

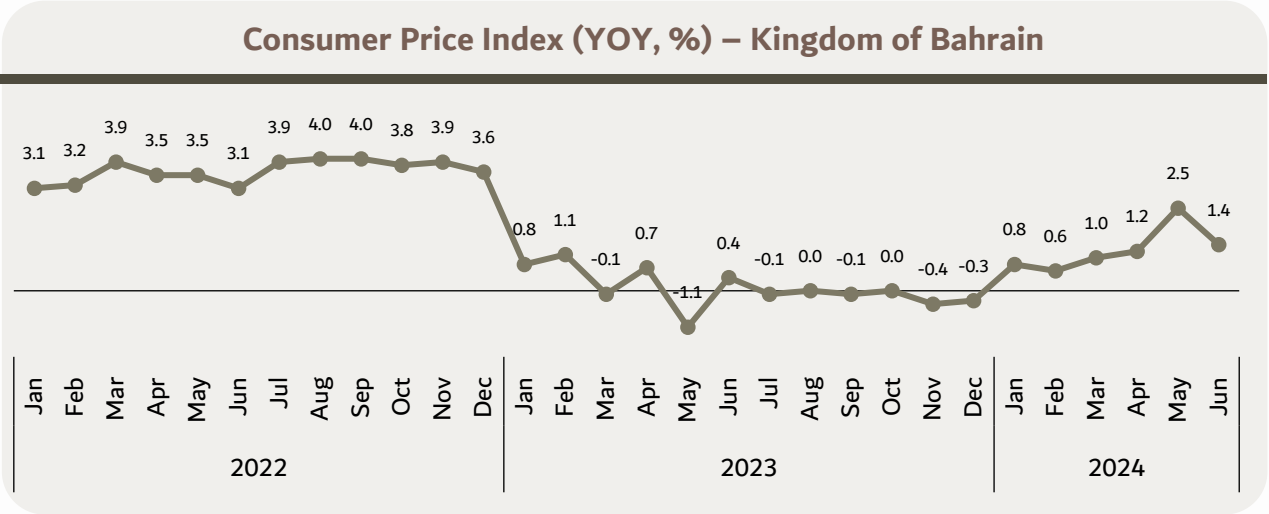


Source: Ministry of Oil and Environment

The average daily oil production from the offshore Abu Sa'afa field during Q2 2024 dropped by 9.8% YoY to reach 145,197 bpd. Additionally, extraction from the onshore Bahrain field slightly declined by 0.3%, to average 38,736 bpd. On the other hand, the production of natural and associated gas during Q2 2024 increased by 1.4% compared to the same period in the previous year, totaling 237,739 Mn cubic feet, and about 37% of the gas produced in the oil sector was re-injected.

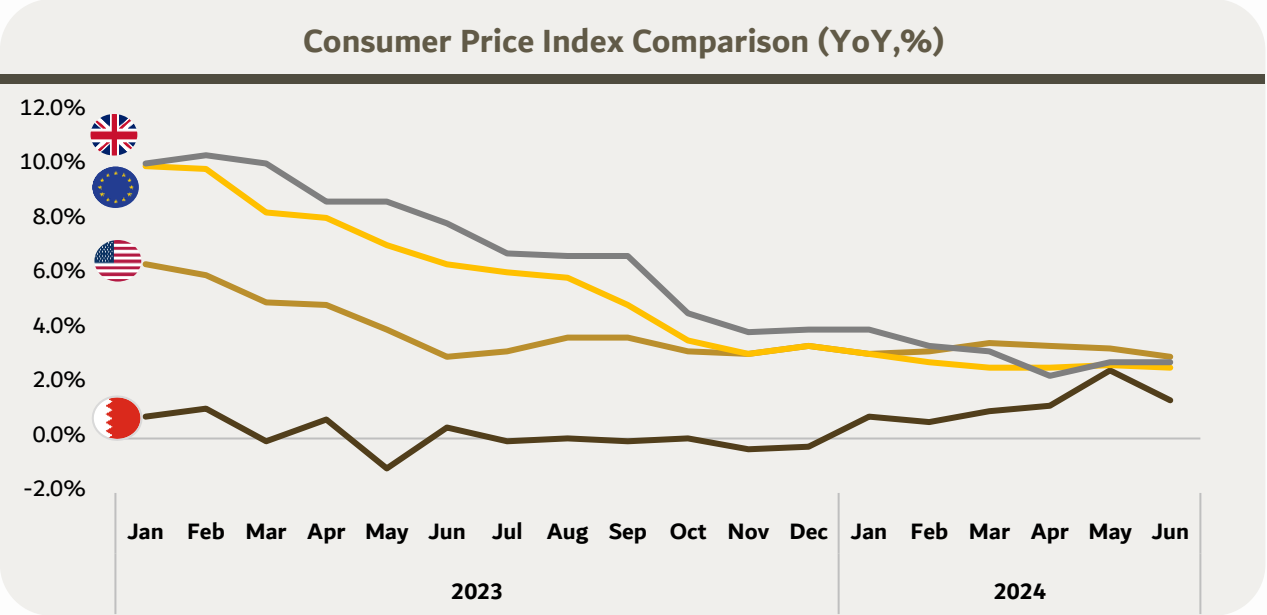
Consumer Price Index

According to the results published by the Information an eGovernment Authority, Consumer Price Index (CPI) increased by 1.7% YoY during Q2 2024. The index recorded an increase of 1.3% in the first half of 2024 compared to the same period of 2023.



Source: Information & eGovernment Authority

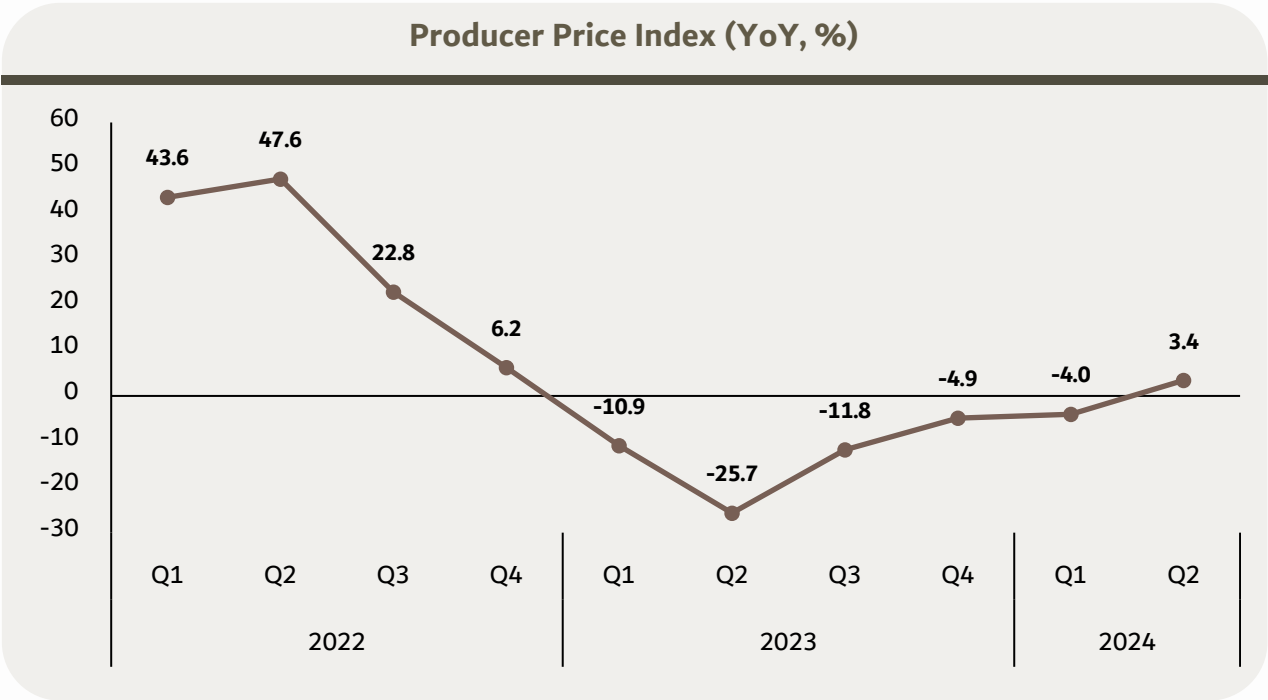
During Q2 2024, the average inflation rate in the United States remained stable at 3.2%, while the average inflation rate in both the United Kingdom and the European Union continued to decline, both averaging 2.6% during the same period.



Source: Bloomberg

## Producer Price Index

According to the preliminary data released by the Information and eGovernment Authority, Bahrain’s Producer Price Index (PPI) recorded an increase of 3.4% YoY in Q2 2024. Extracting crude oil and natural gas activity saw an increase of 7.1% due to the rise in global crude oil prices. On the other hand, manufacturing’s sub-activities recorded increases where the manufacture of basic metals increased by 5.5%, driven by higher prices of manufacture of basic precious and other non-ferrous metals. The manufacture of coke and refined petroleum products recorded an increase of 3.6% due to the rise in the prices of refined petroleum products.



Source: Information & eGovernment Authority



## Developmental Projects

The priority development projects continued to make progress during 2024, below are the key updates on the projects:

### Tourism Projects

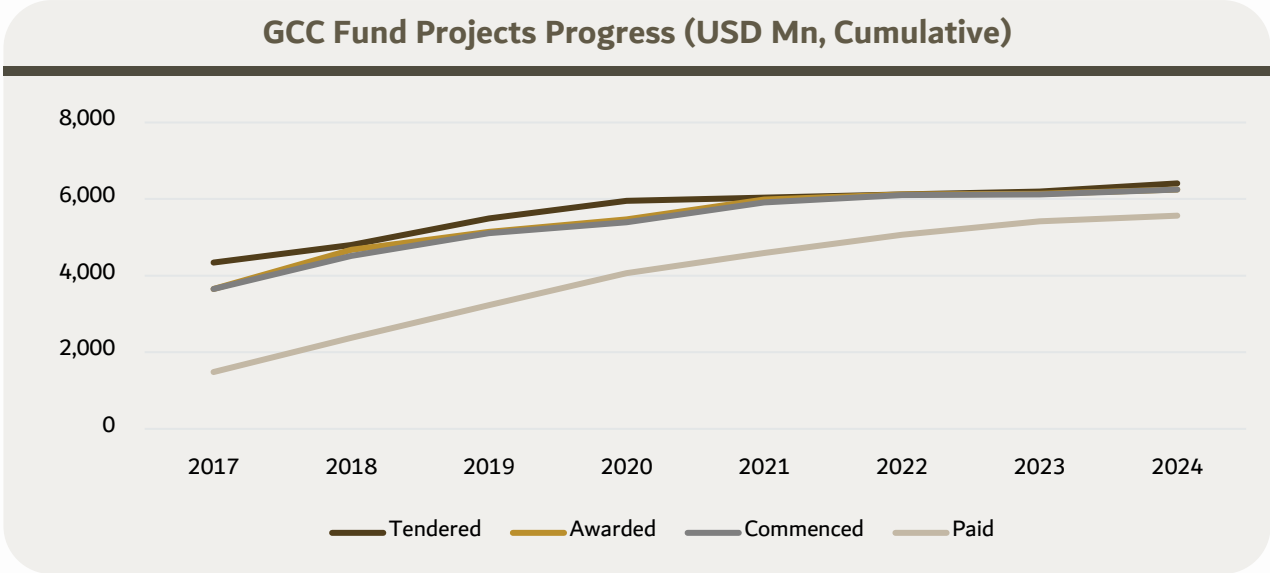
- ◆ Edamah announced the appointment of Cebarco Bahrain to carry out the first phase of infrastructure works for Bilaj Al Jazayer project. This phase will include the development of a modern beachfront boulevard and the construction of all service networks, in addition to electricity, sewage, roads, communications networks and lighting works.
- ◆ The Bahrain Tourism & Exhibitions Authority (BTEA) has issued a tender to develop a public beach and beach club at Bahrain Bay in collaboration with the private sector. This initiative will cover an area of 173,000 square meters, including five plots. BTEA will develop a public beach and a plot, while the other three plots were allocated to be developed by the Private Sector.
- ◆ Edamah announced the launch of the "Bahrain Surf Park - Club Hawaii Experience" project in collaboration with GFH Financial Group, which will utilize "Wavegarden Cove" technology and is set to open in 2026. The project is expected to attract approximately 300,000 visitors per year, with upwards of 140,000 surf sessions annually, with plans to host a major international surfing competition.

### Infrastructure Projects:

- ◆ A 220 kV power transmission station and a water distribution facility have been inaugurated in East Hidd during September 2024, with a total investment exceeding USD 85 million. This project is designed to enhance infrastructure, addressing the rising demand for essential services.

### GCC Development Fund Projects:

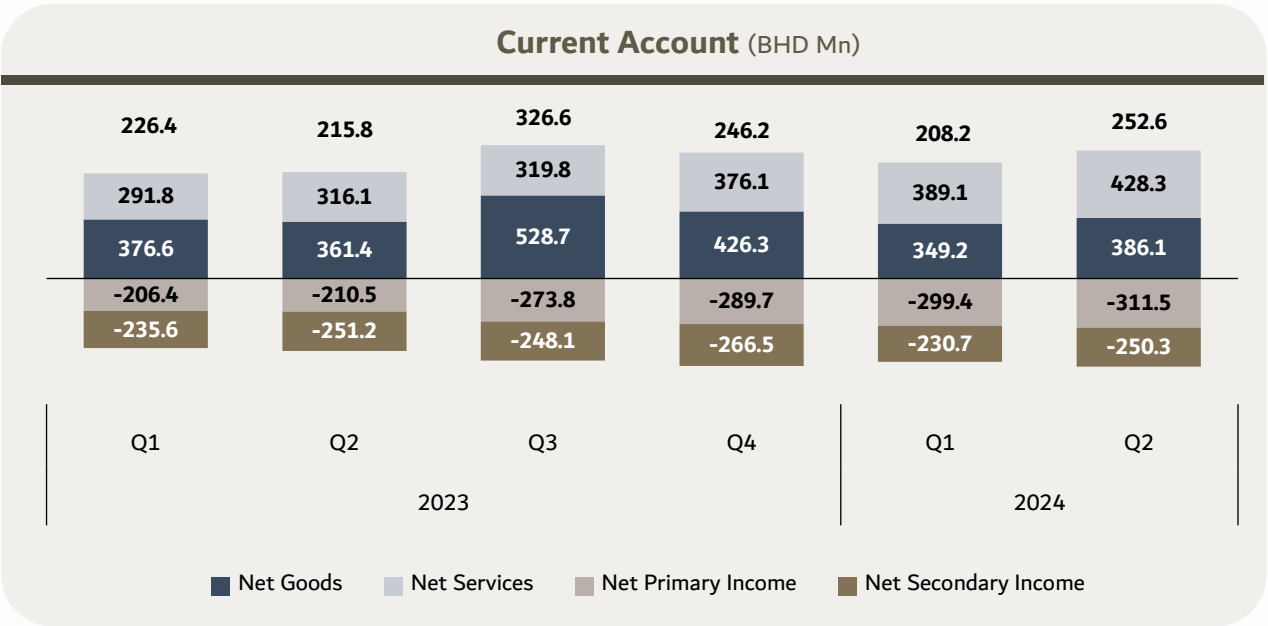
- ◆ Progress of major projects financed by the GCC Development Fund continued in Q2 2024, bringing the total value of project awarded to approximately USD 6.25Bn. This represents an increase of 1.7% YoY. In Q2 2024, contracts were awarded for Bahrain northern road project and Tubli sewerage plant project.



Source: Ministry of Finance and National Economy

Current Account

According to the preliminary balance of payments data released by the Central Bank of Bahrain, the current account recorded a surplus of BHD252.6Mn in Q2 2024 compared to a surplus of BHD215.8Mn in Q2 2023, an increase of 17.1% YoY. Consequently, the current account balance as share of nominal GDP ratio stood at 5.8% during Q2 2024.

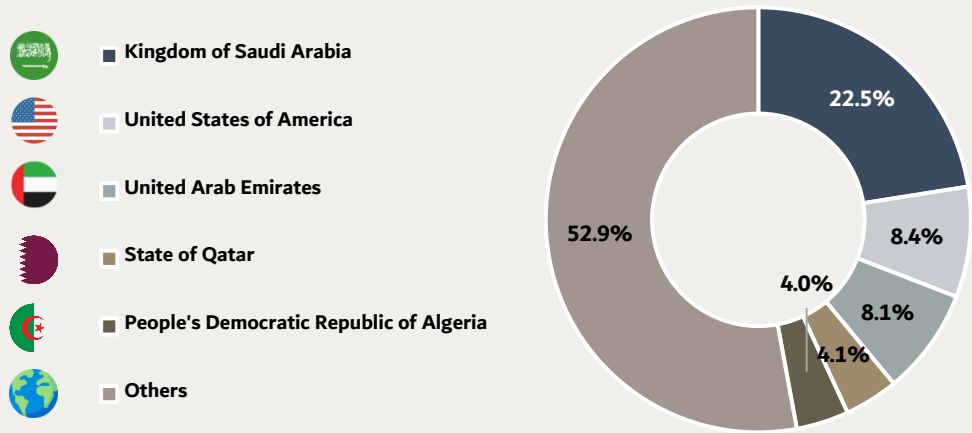


Source: Central Bank of Bahrain

The value of total exports in Q2 2024 increased by 1.1% YoY, reaching BHD2,292.7Mn, driven by the rise in the value of oil exports by 6.5% to reach BHD1,192.7Mn. The value of non-oil exports, on the other hand, decreased by 4.1 % during Q2 2024 totaling BHD1,100.0Mn. According to the foreign trade statistics released by the Information and e-Government Authority for Q2 2024, base metals and basic metal products constituted 59% of total non-oil exports of national origin. This was followed by mineral products at 18% and chemicals at 7%.

In terms of trade partners, the Kingdom of Saudi Arabia continues to be the primary partner of non-oil national origin exports, holding a share of 22.5% during Q2 2024. The United States of America accounted for 8.4%, securing the second position. The United Arab Emirates ranked third, contributing 8.1%, followed by the State of Qatar and People's Democratic Republic of Algeria, with comparable contributions of 4.1% and 4.0% respectively.

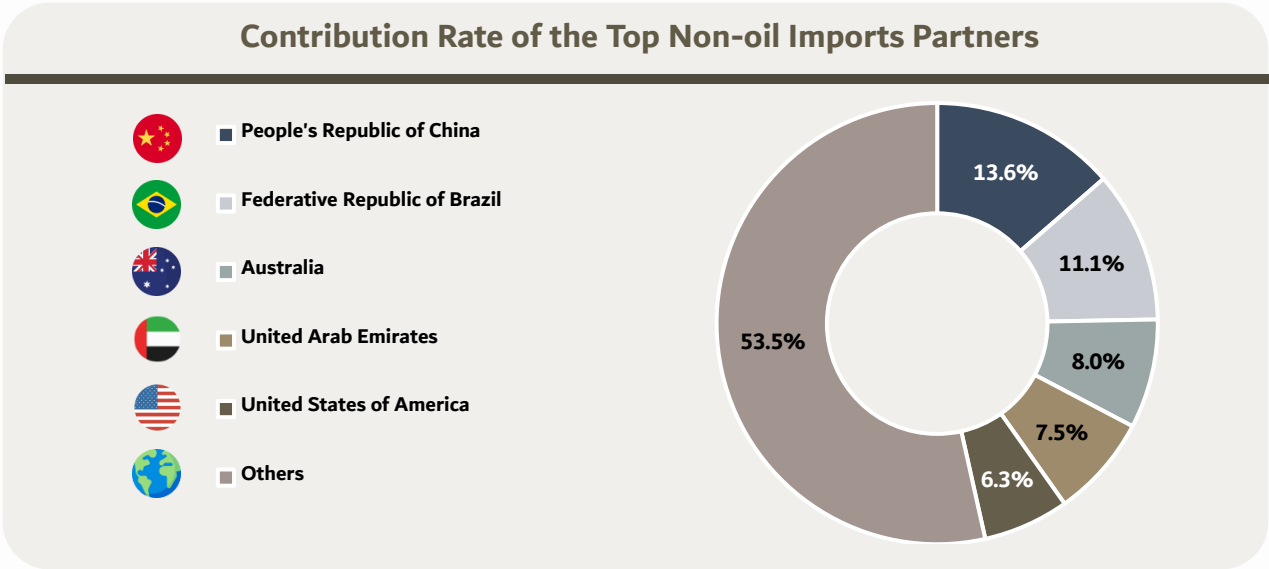
Contribution Rate of the Top Non-oil Export Partners (National Origin)



Source: Information & eGovernment Authority

Moreover, the total value of imports reached BHD1,906.6 during Q2 2024, achieving a slight growth of 0.1%. The value of non-oil imports saw a decrease of 4.0% YoY, amounting to BHD1,268.7Mn. Mineral products emerged as the top imported category, comprising 18% of the total non-oil imports. This was followed closely by mechanical and electrical equipment which comprised 17%, with chemicals being the third most imported category at 15%.

In terms of trade partners, The People's Republic of China accounted for the highest share of total non-oil imports at 13.6%. The Federative Republic of Brazil came in second place comprising 11.1%, followed by Australia in third place with a share of 8.0%. Rounding up the top 5 were the United Arab Emirates and the United States of America with shares of 7.5% and 6.3% respectively.

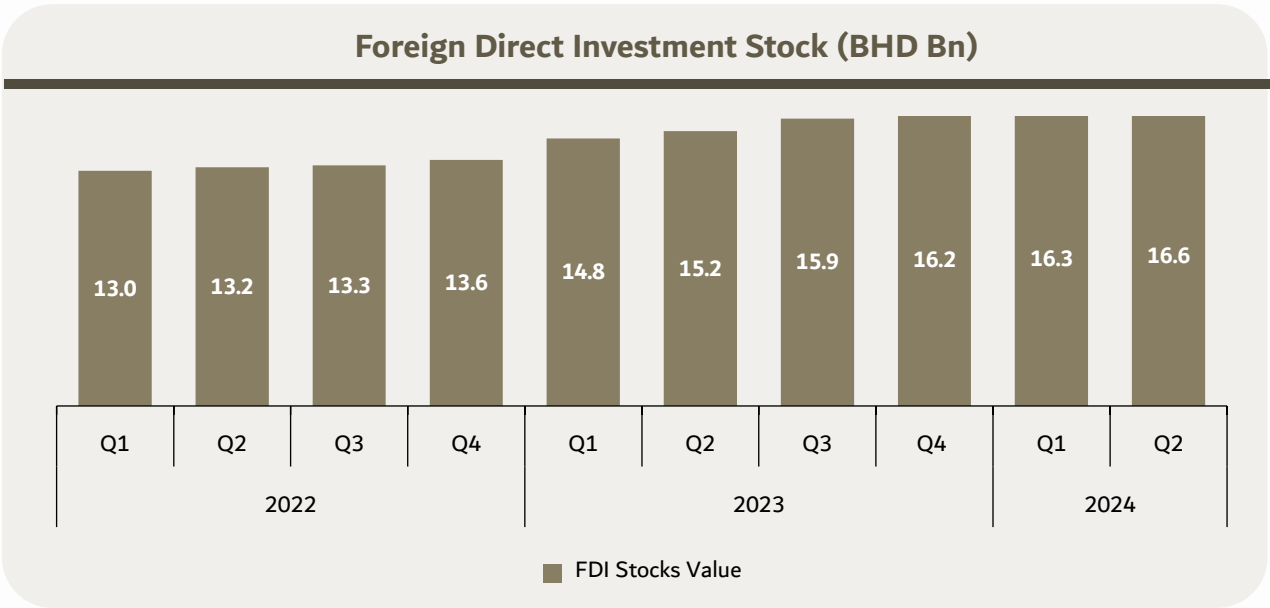


Source: Information & eGovernment Authority

In Q2 2024, the net value of services exports rose by 35.5% YoY to a total of BHD428.3Mn. Furthermore, the net value of primary income increased by 48.0% YoY to a total of BHD311.5Mn. By contrast, workers' remittances transfers declined by 0.4% to total of BHD250.3Mn.

## Foreign Direct Investment (FDI)

According to the preliminary results of the FDI survey carried out by the Information and eGovernment Authority in collaboration with the Central Bank of Bahrain, inward investments into the Kingdom of Bahrain continued to increase in Q2 2024, growing by 9.0% YoY to reach a total stock of BHD16.6Bn, up from BHD15.2 in Q2 2023.

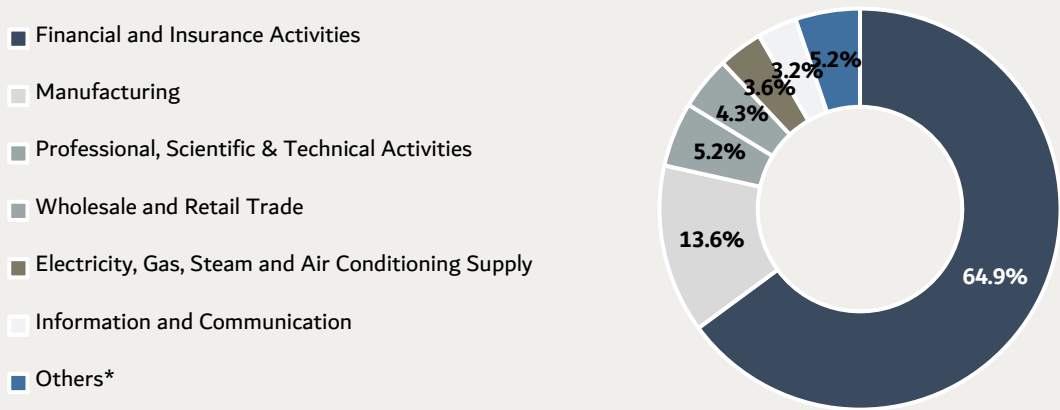


Source: Information & eGovernment Authority

In terms of economic activities, Financial and Insurance Services continued to have the majority of the contribution to total inward FDI Stock with a total of BHD10.7Bn, which is 64.9% of the total in Q2 2024. The Manufacturing contributed approximately 13.6% of the total inward FDI stocks at BHD2.3Bn, while the Professional, Scientific and Technical Activities grew by 24.0% YoY to total BHD0.9Bn



Economic Activities' Share of FDI Stock



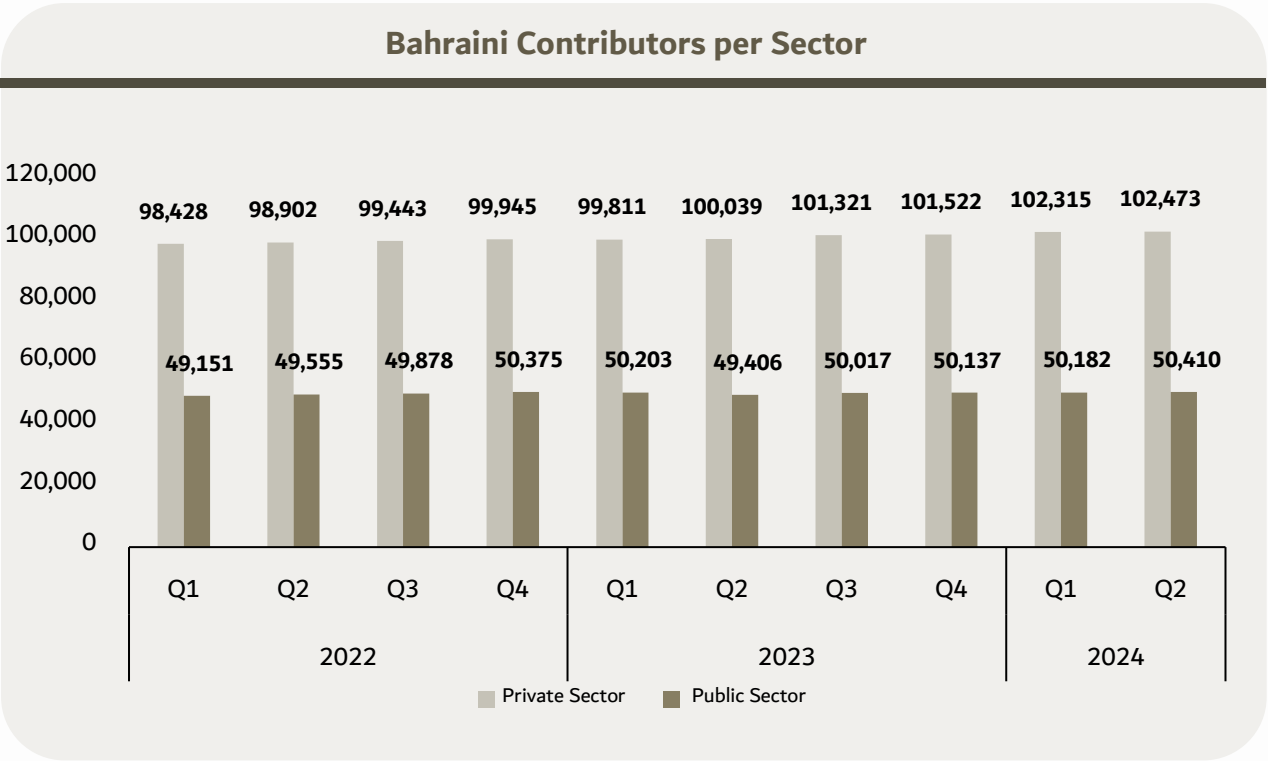
*\*Includes 12 other activities such as Real Estate, Mining and Quarrying, Education, Construction, and Art, Entertainment and Recreation*

*Source: Information & eGovernment Authority*

In terms of investment origins, Kuwait led the way with BHD6.0Bn, contributing 36.1% of total FDI stocks in Q2 2024. The Kingdom of Saudi Arabia followed with investments of BHD3.6Bn, contributing 21.5% of total FDI stocks and the United Arab Emirates, with an investment value of BHD1.8Bn, representing 10.7% of total FDI stocks.

Labor Market

According to the preliminary data, as of Q2 2024 the total number of Bahrainis employed in the private sector grew by 2.4% YoY to reach 102,473 registered workers, representing 67% of the total Bahrainis registered in the Social Insurance Organization. In the public sector, the total number of Bahrainis increased slightly by 2.0% YoY to reach 50,410. Accordingly, the combined number of Bahrainis working in both sectors reached 152,883 increasing slightly by 2.3% YoY, of which 64,194 are Bahraini women, representing 42% of the total registered workers. Moreover, the labor force participation of Bahraini women increased by 3.0% YoY. On the other hand, the total non-Bahrainis in the workforce totaled 457,737, decreasing by 2.1% YoY.



Source: Social Insurance Organization

By the end of Q2 2024, the overall average monthly wages of Bahrainis in both sectors increased by 3.5% YoY to reach BHD896. In the public sector, the average monthly wage of Bahrainis was BHD979, an increase of 3.1% YoY, while in the private sector, the average monthly wage amounted to BHD855, an increase of 3.5% YoY.

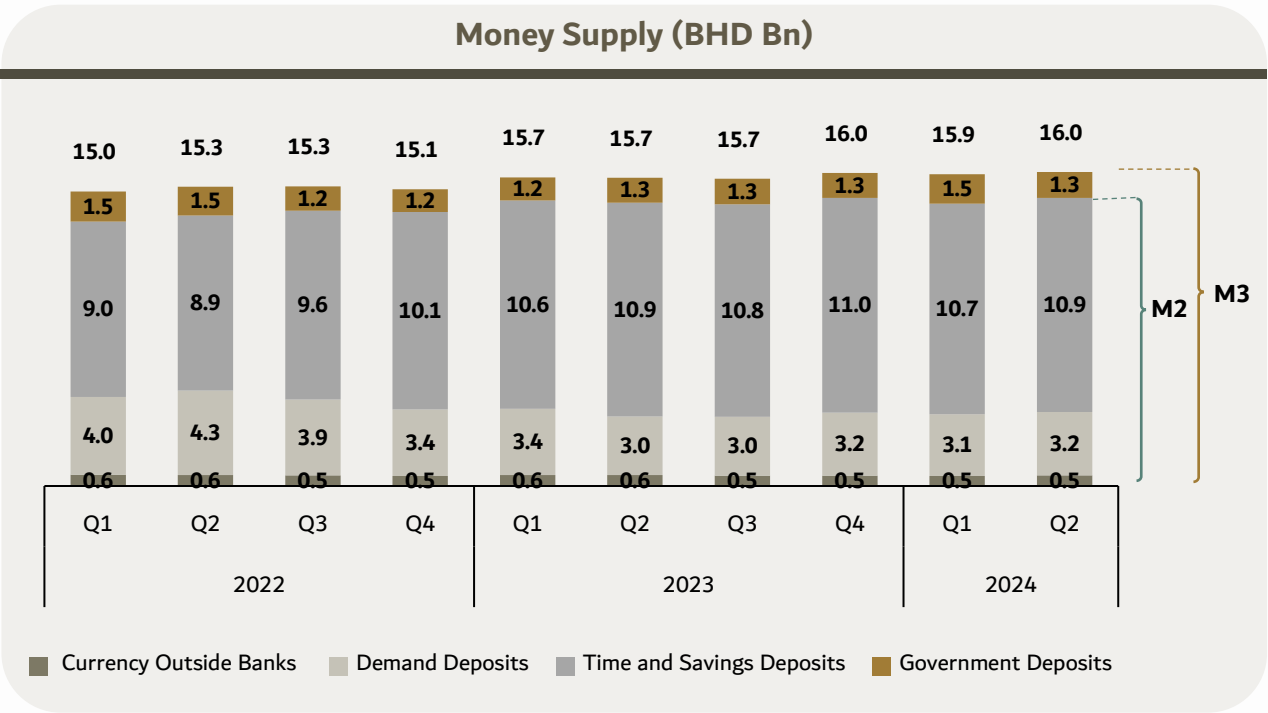
One of the main pillars of the Economic Recovery Plan, launched at the end of 2021, was to recruit 20,000 Bahrainis and train 10,000 Bahrainis annually until 2024. In H1 2024, 12,555 Bahrainis were recruited in the private sector under the National Employment Program 2.0, representing 63% of the set target. Additionally, 8,637 Bahrainis were trained in H1 2024 in various programs and professional certifications, accounting for 86% of the set target, an increase of 19% compared to H1 2023.

## Monetary Policy and Financial Sector Developments

### Money Supply

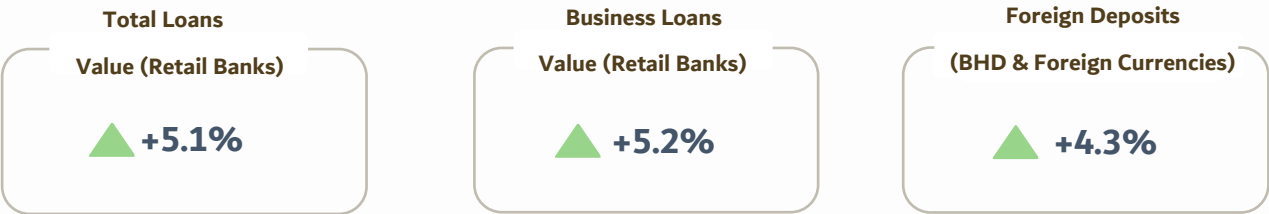


According to the data from the Central Bank of Bahrain, the monetary base (M0) during Q2 2024 increased by 16.6% at a value of BHD5.7Bn compared to BHD4.8Bn in Q2 2023. Narrow money (M1) on the other hand declined by 2.8% YoY reaching BHD2.8Bn. Broad money (M2), constituting cash circulation outside banks and private sector deposits, grew by 1.6% YoY reaching BHD14.7Bn. Broad money (M3), encompassing (M2) and government deposits, recorded an increase of 1.9% amounting to BHD16.0Bn.

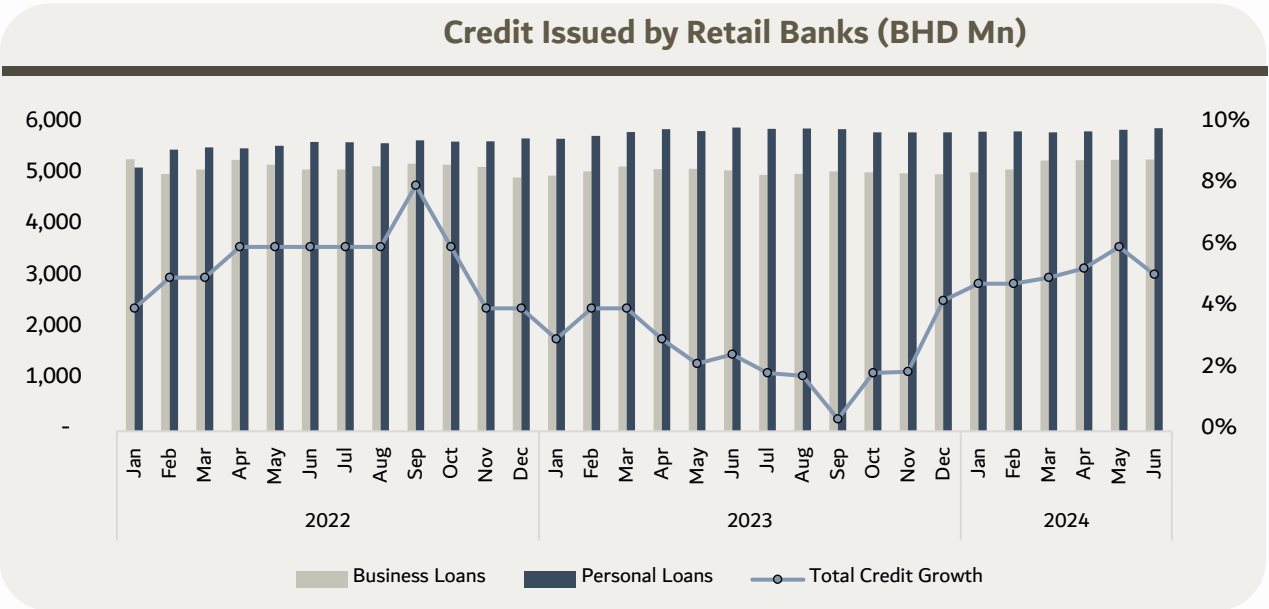


Source: Central Bank of Bahrain (CBB)

Bank Credit and Deposits

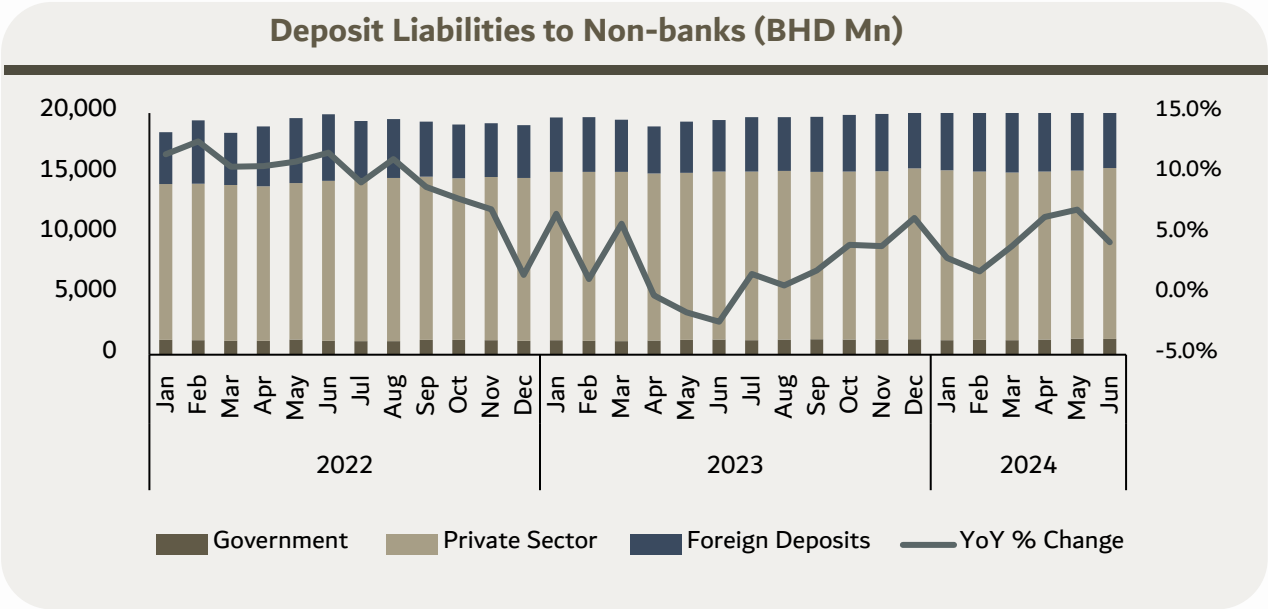


By the end of Q2 2024, the total value of loans provided by retail banks reached BHD12.2Bn, recording a 5.1% YoY increase. Personal loans constituted the largest share, representing 48% of total loans, with a value of BHD5.9Bn. Meanwhile, total business loans provided by retail banks accounted for 43% of total loans, amounting to BHD5.3Bn, up from BHD5.0Bn in Q2 2023 a 5.2% YoY increase.



Source: Central Bank of Bahrain (CBB)

The total deposits from non-banks in both Bahraini Dinar and foreign currencies increased from BHD19.4Bn during Q2 2023 to BHD20.3Bn in Q2 2024, showing 4.3% YoY growth. Domestic deposits from non-banks in Bahraini Dinars and foreign currencies increased by 2.1% YoY reaching BHD15.5Bn, reflecting the increase in private sector deposits by 1.9% and government deposits by 4.3% YoY. In terms of foreign deposits from non-banks in Bahraini Dinar and foreign currencies, it accounted for 23.7% of total deposits, amounting to BHD4.8Bn, recording a 12.0% YoY increase.



Source: Central Bank of Bahrain (CBB)

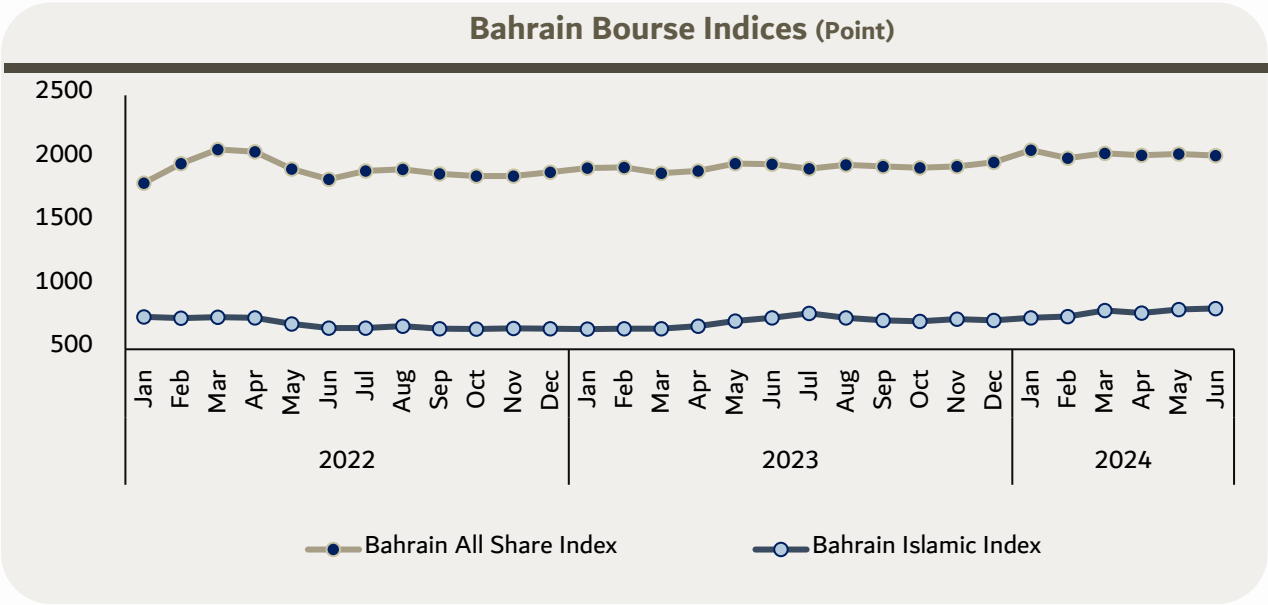


Capital Markets

According to the Quarterly Trading Bulletin for Q2 2024, published by Bahrain Bourse, Bahrain All Share Index closed at 2,025.49 points, marking a 3.5% YoY increase. While, Bahrain Islamic Index grew by 10.0% YoY, reaching 821.58 points.

In terms of market capitalization during Q2 2024, total market value increased by 4.1% YoY, reaching BHD8.0Bn. Aluminum Bahrain (Alba) continued to lead the Bahrain Stock Exchange with the largest market capitalization of BHD1.7Bn, representing 20.9% of total market value. The National Bank of Bahrain followed in second place, with a total market value of BHD1.2Bn, in third place came the Bank of Bahrain and Kuwait, with a total market capitalization of BHD0.9Bn, contributing 15.3% and 11.5% to total market value, respectively.

Additionally, the financial sector recorded the highest value of shares traded during Q2 2024, with a total amount of BHD46.9Mn, followed by the real estate sector with a total of BHD9.6Mn, surging by 1,525% YoY.



Source: Bahrain Bourse

## Short-term Bond and Sukuk Issued by the Central Bank of Bahrain

During Q2 2024, the Central Bank of Bahrain issued 22 sukuks and bonds with a total value of BHD1.1Bn. Treasury Bill No. 117 recorded the highest interest rate at 6.09%, issued with a total value of BHD100Mn. This was followed by Treasury Bill No. 2022, which had an interest rate of 6.04% and a total issuance value of BHD35Mn. Ijara Sukuk No. 226 achieved the highest subscription rate at 323%, followed by Ijara Sukuk No. 225, which recorded a subscription rate of 258%.

Issue date	Issue	Value, (BHD Mn)	Maturity (Days)	Average Interest / Profit (%)	Average Price (%)	Over- subscription (%)
3 April 2024	Treasury Bills No. 2011	70	91	5.94	98.520	111
4 April 2024	Sukuk Al Ijarah No. 224	26	182	5.90	-	186
10 April 2024	Sukuk Al Salam No. 276	43	91	5.90	-	100
17 April 2024	Treasury Bills No. 2012	70	91	5.95	98.517	111
18 April 2024	Treasury Bills No. 115	100	365	6.02	94.101	135
24 April 2024	Treasury Bills No. 2013	70	91	5.95	98.518	221
1 May 2024	Treasury Bills No. 2014	70	91	5.93	98.524	181
2 May 2024	Sukuk Al Ijarah No. 225	26	182	5.90	-	258
5 May 2024	Treasury Bills No. 2015	35	182	5.99	97.059	139
8 May 2024	2016 Treasury Bills No.	70	91	5.92	98.527	129
15 May 2024	Sukuk Al Salam No. 277	43	91	5.92	-	194
22 May 2024	Treasury Bills No. 2017	70	91	5.92	98.527	181
23 May 2024	Treasury Bills No. 116	100	365	6.08	94.211	142
26 May 2024	Treasury Bills No. 2018	35	182	6.01	97.053	198
29 May 2024	Treasury Bills No. 2019	70	91	5.90	98.530	143
5 June 2024	Treasury Bills No. 2020	70	91	5.89	98.532	112
6 June 2024	Sukuk Al Ijarah No. 226	26	182	6.05	-	323
12 June 2024	Sukuk Al Salam No. 278	43	91	5.92	-	119
19 June 2024	Treasury Bills No. 2021	70	91	5.94	98.520	100
20 June 2024	Treasury Bills No. 117	100	365	6.09	94.201	100
23 June 2024	Treasury Bills No. 2022	35	182	6.04	97.037	152
26 June 2024	Treasury Bills No. 2023	70	91	6.03	98.498	100

Source: Central Bank of Bahrain (CBB)

## Kingdom of Bahrain’s Global Competitiveness

### Information and Communication Technology

- Improving 36 positions in the overall rank
- Achieving the highest classifications “VH (Very High)”

Bahrain improved 36 positions to rank 18<sup>th</sup> globally in the UN E-Government Survey 2024. The Kingdom also advanced to the highest rating class of “VH (Very High)” the report identifies countries in this category as global leaders in e-government development and services provision. Additoanlly, Bahrain registered the largest imprvement amongst all countries in the E-participation index, jumping 71 positions to rank 18<sup>th</sup> globally.



- Classified as a ‘Tier 1 – Role-Modeling’ Country

Bahrain was classified as a ‘Tier 1 – Role-Modelling’ country, the highest category within the Global Cybersecurity Index 2024 issued by the International Telecommunication Union (ITU). The index assesses the cybersecurity capabilities of 194 countries, evaluating them across five pillars: legal measures, technical measures, organizational measures, capacity development, and cooperation. Bahrain achieved a full score on four of the five pillars measured.



List of Abbreviations

Acronym	Description
ALBA	Aluminium Bahrain
Bapco	BAPCO Refining
BHD	Bahraini Dinar
BMP	Bapco Modernization Programme
Bn	Billion
Bpd	Barrel per day
Bps	Basis Points
CBB	Central Bank of Bahrain
CPI	Consumer Price Index
FDI	Foreign Direct Investment
GCC	Gulf Cooperation Council
GDP	Gross Domestic Product
IGA	Information and eGovernment Authority
IMF	International Monetary Fund
Mbpd	Mn Barrels per Day
Mn	Million
MoM	Month on Month
OPEC	Organization of the Petroleum Exporting Countries
POS	Point of Sale
PPI	Producer Price Index
QoQ	Quarter on Quarter
RHS	Right Hand Side
SMEs	Small and Medium-sized Enterprises
Sqm	Square Meter
USD	United States Dollar
WEO	World Economic Outlook
YoY	Year on Year
YTD	Year to Date

## Glossary

Term	Description
<b>Economic Terms</b>	
National Accounts	Description of coherent, consistent and integrated set of macroeconomic accounts in the context of a set of internationally agreed concepts, definitions, classifications and accounting rules.
Gross Domestic Product by Production Approach	The total value of goods and services produced within a country, over a specified period, usually annual (and/or) quarterly GDP.
Real Growth Rate	GDP growth rate at constant prices, which eliminate inflation's effect between the current year and the base year (2010).
Nominal Growth Rate	GDP growth rate at current market prices, which is affected by inflation.
Inflation	The overall increase in the consumer price index within a specific period.
Consumer Price Index	The index measures the change in the average level of prices of consumptions goods and services acquired or used by households
Producer Price Index	The index measures the change in the average level of selling prices received by domestic producers for their output.
<b>Economic Activities</b>	
Oil sector	Comprises of crude oil extracted as well as extraction of natural and associated gas.
Non-oil sector	Includes all economic activities excluding the oil sector activities.
Financial and Insurance activities	Includes financial service activities including insurance, reinsurance, and pension funding. Also includes activities holding assets such as activities of holding companies and the activities of trusts, funds, and similar financial entities.
Wholesale and Retail Trade	Comprises wholesale and retail sale (sale without transformation) of any type of goods and rendering services incidental to the sale of merchandise. Also included are repair of vehicles and motorcycles.
Accommodation and Food Services	Comprises units providing customers with short-term accommodation for visitors and other travellers, and the provision of meals and drinks fit for immediate consumption
Manufacturing	Comprises units engaged in the physical or chemical transformation of materials, substances, or components into new products, such as plants, factories or mills, etc.

Term	Description
	Examples of manufacturing sector activities: Manufacturing of food and beverages, tobacco products. Manufacturing of textiles, wood and paper products, refined petroleum products, chemicals, furniture, etc.
Public Administration	Activities of governmental nature, including the enactment and judicial interpretation of laws and regulations, administration of programs, legislative activities, taxation national defence, public order and safety, immigration services and foreign affairs.
Transportation and Storage	Transport sector comprises activities related to providing passenger or freight transport by pipeline, road, water, or air, and associated activities such as terminal and parking facilities, cargo handling, storage, etc. Also included are postal and courier activities
Construction	Comprises general construction -residential and non-residential buildings and roads- and special trade construction for buildings and civil engineering, building installation and building completion. It includes new work, repair, additions, and alterations, and also construction of a temporary nature.
Business Activities	Includes the activities that fall under both the professional, scientific and technical activities (such as legal and R&D), as well as the administrative and support service activities (activities that support general business operations, such as renting goods) under the new classifications in ISIC 4.
Real Estate Activities	Includes acting as lessors, agents and brokers in one or more of the following: selling or buying real estate, renting real estate, providing other real estate services such as appraising or acting as real estate escrow agents.
Information and Communication	Comprises the production and distribution of information and cultural products, the provision of the means to transmit these products, as well as data or communications, information technology activities and the processing of data and other information service activities
Education	Includes education at any level for any profession, oral or written as well as by radio and television or other means of communication. It includes both public and private education as well as military schools and academies.
Human Health and Social Work Activities	Includes health care provided by trained medical professionals in hospitals and other facilities, residential care activities that still involve health care and social work activities without any involvement of health care professionals.



Term	Description
<b>Economic Transactions</b>	
Balance of Payments	A statistical statement that systematically summarizes, for a specific period, the economic transactions of an economy with the rest of the world.
Current Account	It covers all the imported and exported goods and services, primary and secondary income accounts in the balance of payments.
Trade Balance	The difference between the value of imports and exports during a certain period, which is a surplus if the value of exports exceeds imports, or a deficit in the opposite case.
Total exports	Includes national exports and exports of foreign goods (re-exports) from any part of the statistical territory.
National Exports	Exports include all commodities that were completely produced or manufactured locally, or on which industrial operations were made that changed the shape and value of the commodity.
Re-exports	Includes exports of foreign goods previously registered as imports.
Total Imports	Imports of foreign goods and re-importing of local goods.
Services Trade	The value of services exchanged between residents and non-residents of an economy, including services provided through foreign affiliates established abroad.
Commodity Trade	The process of sourcing, buying, transporting, storing, transforming and selling physical commodities, including the management of associated risks, as well as operating physical assets in this context.
Foreign Direct investment Survey	It is one of the IGA's most important publications, it helps identify foreign investment stocks and flows.
Point of Sales Transactions	Payments made by debit and credit cards (issued inside or outside Bahrain)
<b>Monetary Terms</b>	
Basis Point	A measurement unit equals to 0.01% used to measure interest rates and percentages. For example, 50 basis points equals 0.5%.
Standing Facilities	A set of deposit and lending instruments that retail banks can obtain from the Central Bank of Bahrain to meet their liquidity needs in Bahraini Dinars.
Deposit Liabilities to non-Banks	Includes deposits in Bahraini Dinars or foreign currencies in retail banks and includes local deposits from the government and private sectors (except for banks) and foreign deposits.

Term	Description
Aggregated Balance Sheet of the Banking System	The aggregate balance sheet covers all the banking system (Retail, wholesale, and Islamic) excluding the balance sheet of The Central Bank of Bahrain.
Public Debt Instruments	Treasury bills and securities issued by The Central Bank of Bahrain on behalf of The Government of Bahrain
Treasury Bills	Short-term debt instruments whose value is determined by the Ministry of Finance and National Economy for maturities not exceeding one year.
Government Development Bonds	Long-term bonds issued in Bahraini dinars or US dollars, with maturities from 2 to 30 years. The fixed interest rate is set by the Monetary Policy Committee of the Central Bank of Bahrain.
Al Salam Sukuk	An investment instrument issued in accordance with Islamic Sharia standards, with maturities of three months. The fixed return is determined by the Monetary Policy Committee of the Central Bank of Bahrain.
Short Term Ijara Sukuk	An investment instrument issued in accordance with Islamic Sharia standards, with maturities of six months. The fixed return is determined by the Monetary Policy Committee of the Central Bank of Bahrain.
Long Term Ijara Sukuk	An investment instrument issued in accordance with Islamic Sharia standards in Bahraini Dinar or US Dollars, with maturities from 2 to 10 years. The fixed return is determined by the Monetary Policy Committee of the Central Bank of Bahrain.
Money Supply	Money supply is the total value of money in an economy.
M0	Monetary base of the economy. (Currency in circulation + Bank deposits in the Central Bank of Bahrain)
M1	Money supply that consists of the most liquid portions of money. (Currency in Circulation + Demand deposits)
M2	Broader measure of money supply (M1 + Time and Saving deposits)
M3	The broadest definition of money supply and it includes the least liquid portions of money. (M2 + General Government Deposits).
Monetary Survey	It displays the components of M3 in terms of net foreign assets and domestic assets.

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