CARAVAN

THE EXECUTIVE NEWSLETTER OF
QASR AL ANQAA GROUP OF COMPANIES

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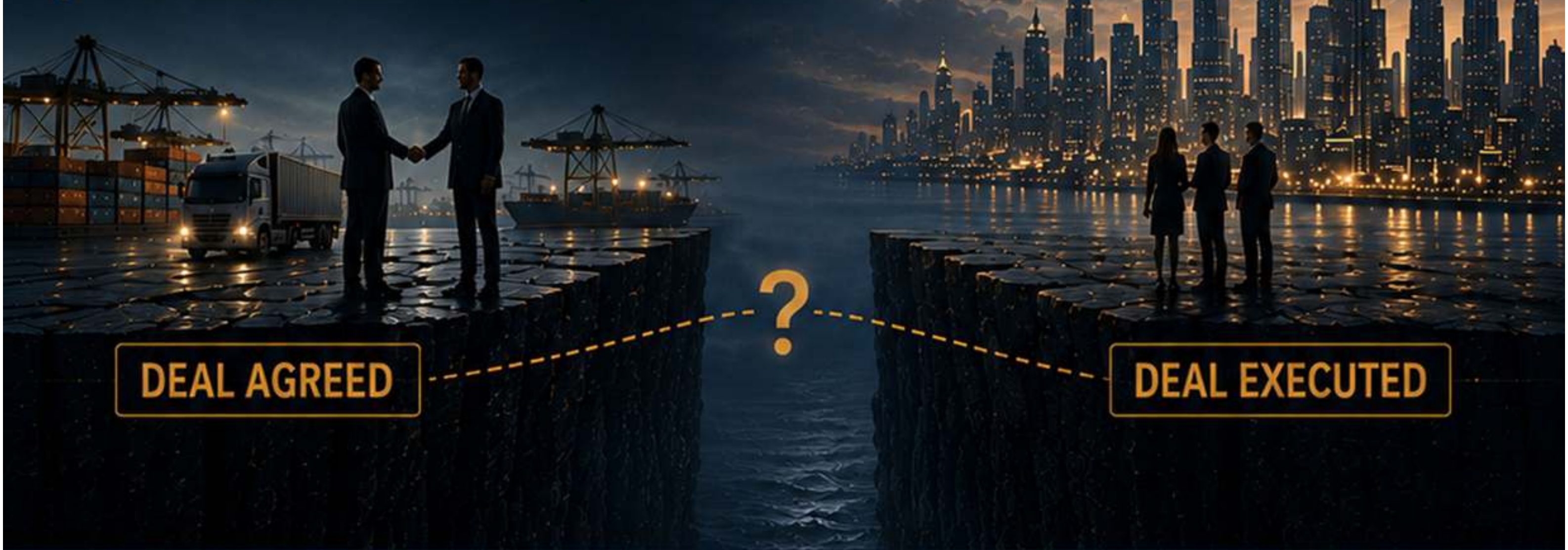
AGREED PRICE DOESN’T MEAN THE DEAL DON’T

What happens between Deal Agreed and Deal Executed

Trust. Capital. Access. Banking.



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THE PRICE
IS ONLY THE BEGINNING

Dr. Hossein Azarbaijani
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Why a Good Deal Can Still Fail Before Settlement

A good price is easy to celebrate. A completed transaction is harder.

In international trade, price is usually where the conversation begins. Buyers seek a competitive offer; sellers seek a workable margin. Once both sides agree, the deal can appear settled.

It is not.

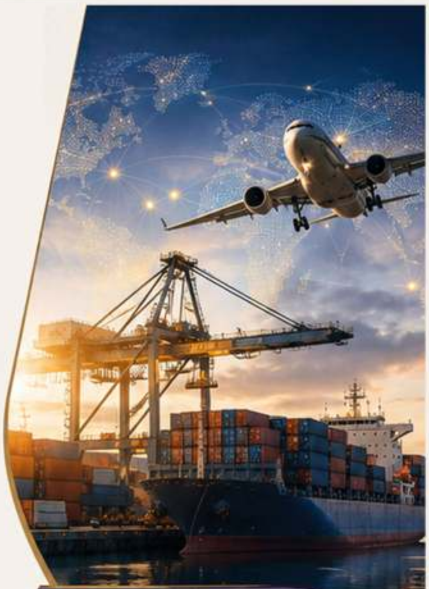
Between Deal Agreed and Deal Executed lies the part of trade that rarely appears in the headline price: the ability to identify the counterparty, move money, secure banking, clear compliance, move goods and finance the journey to settlement.

The price starts the transaction.
Execution gives it value.

SEVEN STAGES BETWEEN DEAL AGREED AND DEAL EXECUTED

1. **IDENTIFYING THE COUNTERPARTY**
   Who is actually on the other side? A transaction depends on more than a company name. Ownership, beneficial ownership, authority to contract and the ability to perform all matter.
2. **FINDING A WORKABLE PAYMENT CHANNEL**
   A payment term can look sensible in a contract and fail in practice. The money must be able to move between the parties, currencies and jurisdictions through a workable legal and banking route.
3. **FINDING THE RIGHT BANK**
   Banks assess transactions, not just prices. Counterparties, countries, commodities, currencies, documentation and risk appetite can determine whether a bank is prepared to handle the trade.
4. **CLEARING COMPLIANCE**
   KYC, AML, sanctions screening and correspondent-bank requirements are part of execution, not paperwork added afterwards. A transaction that cannot clear compliance cannot proceed.
5. **MANAGING LOGISTICS RISK**
   Goods must be loadable, transportable and deliverable. Stock that exists but cannot move is not meaningful supply.
6. **SECURING CAPITAL**
   Someone must finance the gap between purchase and collection. A profitable transaction can still fail if the capital required to carry it is unavailable.
7. **REACHING SETTLEMENT**
   Settlement is where every preceding assumption is tested. The parties, bank, documents, logistics and financing must ultimately connect.

A deal is not executed when the parties agree.
It is executed when the system around the deal works.



> The lowest price is not necessarily the best deal.
>
> A cheaper offer that cannot clear compliance, secure banking, move through the agreed route or reach settlement is not cheaper in any meaningful sense.
>
> Sulphur illustrates the point. Its quoted price is only one part of its commercial value. Origin, specification, availability, logistics, documentation, financing and banking access determine whether that price can become a deliverable transaction. The same principle applies across commodities.

THE THREE PILLARS

Every international transaction rests on three pillars of equal weight.

TRUST
Who is actually on the other side?

CAPITAL
Who finances the transaction through to collection?

ACCESS
Are the goods, market, bank, currency and route actually available?

Access deserves particular attention. A commodity may exist without being accessible to the buyer. A market may be attractive without a usable payment route. A bank or currency may exist without being available for the transaction in question.

Access is not theoretical availability.
It is the practical ability to connect the transaction to what it needs.

> A deal is not executed when the parties agree.
> It is executed when the system around the deal works.

WHY THIS ISSUE MATTERS

International trade is changing beneath the surface.

The biggest risks are no longer limited to commodity prices or freight rates. Trust, liquidity, banking access, compliance, commodity availability and the ability to execute across borders increasingly determine whether a commercial opportunity becomes a completed transaction.

This issue looks at that changing landscape from several angles — from the hidden cost of liquidity and the trust gap between counterparties to the strategic importance of sulphur, evolving market signals and new approaches to trade finance.

The common thread is simple:

In modern trade, the strongest deal is not necessarily the one with the best price. It is the one that can actually be executed.

WHAT YOU'LL LEARN

01 – Why Good Deals Fail
What happens between agreeing on a price and actually closing a trade.

02 – The New Rules of Trust
How due diligence, counterparty verification and transparency shape modern trade.

03 – The Real Cost of Capital
Why liquidity, payment terms and financing can determine whether a profitable trade is executable.

04 – The Commodities Moving the Market
What sulphur and other strategic commodities reveal about supply chains, pricing and industrial demand.

05 – When Banking Becomes Part of Trade
Why financial infrastructure, compliance and payment access are becoming as important as the physical movement of goods.

Global trade is no longer simply about finding the right price. Banking, compliance, logistics and financing increasingly shape whether the commercial agreement can survive contact with reality.

The useful question is therefore not merely:
"What is the price?"
It is:
"Can this deal move from Deal Agreed to Deal Executed?"

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THE TRUST GAP

WHERE A TRADE BEGINS TO LOOK SAFER THAN IT IS

Trust is indispensable to trade. It is also expensive to get wrong.

A supplier can have a registered company, a website, a bank account and a convincing offer. A buyer can have a purchase order, references and an apparently sensible price. There may be contracts, certificates and plenty of pperwork.

And still, the transaction may rest on surprisingly little evidence.

The problem is not necessarily fraud. More often it is uncertainty disguised as information.

That is the Trust Gap: the distance between what a trade appears to establish and what it actually establishes.

> THAT IS THE TRUST GAP: THE DISTANCE BETWEEN WHAT A TRADE APPEARS TO ESTABLISH AND WHAT IT ACTUALLY ESTABLISHES.

01 — THE COUNTERPARTY GAP

Start with the simplest question: who is the counterparty?

A legal entity establishes that a company exists. It does not, by itself, establish who owns it, who ultimately controls it, who is authorised to sign or whether it has the trading history its proposed transaction implies.

Beneficial ownership matters because the name on a corporate document may not be the person who ultimately controls thie business. Authority matters because a real company can still enter into a questionable transaction through someone who lacks the power to bind it.

Trading history supplies another test. A company may be perfectly legitimate and yet have little evidence of handling the commodity, volume or geography now being proposed.

The gap is therefore not simply between a real company and a fake one.

It is between a company that exists and a counterparty that can be understood.

02 — THE INFORMATION GAP

Trade produces no shortage of information. That may be part of the problem.

A price is quoted. An origin is stated. A specification is supplied. A market reference is offered. Each fact may be genuine. The question is whether they make sense together.

Does the price fit the origin? Does the supplier's apparent capacity fit the volume? Does the buyer's requirement fit its trading history? Does the commercial story survive when its separate claims are placed side by side?

This is the difference between information and verification.

Information tells you what someone says. Verification tests whether the story holds.

The distinction matters because due diligence is not meant to become a filing exercise. Banks and other financial institutions increasingly assess the risks behind the information rather than treating documents as proof in themselves.

A thick file can therefore contain a thin case.

03 — THE BANKING GAP

A trade can be commercially attractive and financially impossible.

The payment route, currency, beneficiary, bank, documents and compliance requirements must fit together. A beneficiary can have a perfectly valid account and still be unable to receive a particular payment through a particular route.

The relevant question is not:
Does the beneficiary have a bank?

It is:
Can this transaction travel through the banking system?

That brings in ACCESS.

Access is often treated as a given until it disappears. It means more than having a bank account or a currency. It means having a workable financial route between these parties, in these jurisdictions, for this transaction.

A route that exists in theory but cannot carry the payment is not access.

It is a constraint.

04 — THE EXECUTION GAP

The contract is where agreement becomes formal.

It is not where the transaction becomes complete.

After signature comes a less glamorous sequence:
Contract → Payment → Logistics → Customs → Delivery → Settlement

Each stage creates a dependency. Payment may depend on documents. Customs may depend on classification, origin or valuation. Delivery depends on the physical chain working as expected. Settlement depends on the earlier promises having become facts.

> A TRADE IS ONLY AS STRONG AS ITS WEAKEST LINK BETWEEN AGREEMENT AND SETTLEMENT.

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BEFORE THE MONEY MOVES

Seven Questions to Ask Before Making an International Payment

The previous page identified two places where a trade can go wrong: the Banking Gap and the Execution Gap. This page takes those risks out of the abstract and puts them where they belong: before the payment instruction is sent.

The aim is not bureaucracy for its own sake. It is to find out whether the payment can travel from the buyer to the intended beneficiary without becoming a problem of its own.

01 WHO EXACTLY ARE YOU PAYING?

Start with the beneficiary, not the account number.

The name receiving the funds should be identifiable as the legal entity—or a properly explained third party—connected to the transaction. A different name is not necessarily suspicious. It is simply something that needs an explanation.

The basic question is: Who will ultimately receive the money?

02 DOES THE BENEFICIARY MATCH THE CONTRACTING ENTITY?

The seller named in the contract and the beneficiary named in the payment instruction should make commercial sense together. Sometimes they will not be identical. A group company, disclosed payment agent or financing structure may legitimately sit between the contracting party and the beneficiary.

What matters is whether the relationship is clear.

A mismatch is not necessarily a red flag. An unexplained mismatch is a risk.

03 WHICH BANKS ARE ACTUALLY HANDLING THE PAYMENT?

International payments are often less direct than they look.

A payment may involve the sender's bank, the beneficiary's bank and one or more intermediary or correspondent banks. Each institution can have its own controls, information requirements and risk appetite.

So the useful question is not merely: "What is the beneficiary's bank?"

It is: "Which institutions will carry this payment from originator to beneficiary?"

04 CAN THE PAYMENT ROUTE ACTUALLY WORK?

A bank account is not a payment route.

The currency, jurisdictions, participating institutions, transaction information and compliance requirements all have to fit. A bank may process international payments without accepting every currency, corridor, counterparty or type of transaction.

This is the practical meaning of ACCESS.

A route that exists in theory but cannot process the transaction is not access. It is an obstacle discovered late.

05 DO THE DOCUMENTS TELL THE SAME STORY?

Money rarely travels alone. It travels with information about why it is moving.

The curreact, invoice, shipping documents and beneficiary information should make commercial sense as parts of the same transaction. Names, amounts, descriptions and other material details should be sufficiently consistent to explain the payment. This matters because payment information is used for screening and monitoring across the financial chain.

The test is not whether every document looks identical.

It is whether the documents collectively explain the payment.

06 WHAT HAPPENS IF THE PAYMENT IS DELAYED OR REJECTED?

Sending the instruction is not the same as completing the payment.

A payment can be delayed, returned or held for further review. In a correspondent-banking chain, an issue at an intermediary can affect the timing even after the sender has released the funds.

That can turn a financial problem into a commercial one.

A missed payment date can affect loading, document release, shipment schedules or contractual deadlines.

So ask before sending: What happens if the money does not arrive when expected?

07 WHO CARRIES THE RISK WHILE THE PAYMENT IS PENDING?

A delayed payment does not put the transaction's economics on hold. Capital may already be committed. Goods may be waiting. A vessel

> "A route that exists in theory but cannot process the transaction is not access. It is an obstacle discovered late."

BEFORE YOU PRESS SEND

An international payment is not merely a transfer of funds. It is one step in a chain connecting contract, banking and physical trade.

Seven questions can expose most of the obvious weak points:

- Who receives the money?
- Does the beneficiary make sense in relation to the contract?
- Which banks will actually carry the payment?
- Can the route process this transaction?
- Do the documents explain the payment?
- What happens if the payment stops?
- Who carries the exposure while it is pending?

None of these questions guarantees a successful payment.

They do something more valuable: they move uncertainty to the beginning of the transaction, rather than leaving it to surface after the money has started moving.

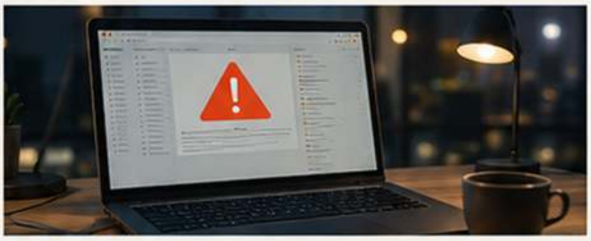
Before the money moves, know where it can stop.

TRADER'S NOTE

A COSTLY LESSON

When a Bank-Account Change Turned Into a Real Loss

An educational scenario illustrating a common pattern, not a report of a specific event



The deal was moving normally. The contract had been signed, the terms were agreed, and the buyer was ready to make the payment.

Then came a short email.

The supplier had changed its bank account, it said, and the next payment should be sent to the new details.

Nothing seemed particularly unusual. The company name was familiar. The invoice was correct. The transaction reference matched. The timing made sense.

So the payment was made.

Later, the supplier was contacted through its usual communication channel. The response was unexpected: the bank details had never been changed.

The email was fraudulent.

The payment had gone to an account controlled by someone other than the intended beneficiary. By the time the discrepancy was discovered, a significant financial loss had already occurred.

What made the incident difficult to spot was that almost everything surrounding the payment was genuine.

> The supplier was real.
> The contract was real.
> The invoice was real.
> Only one thing had changed:
> where the money was going.

WHERE THE GAP APPEARED

The problem was not the commercial deal. It was the payment instruction.

A change in bank details during an active transaction can look like a routine administrative update. In reality, it changes one of the most sensitive elements of the transaction: the destination of the funds.

The new details may look perfectly plausible. They may even appear alongside genuine documents.

That is why the change itself needs to be treated as a new event requiring independent confirmation.

The missing step was simple: verify the new account through a communication channel already known to belong to the supplier.

By the time that confirmation happened, the money had already moved.

THE LESSON

Businesses do legitimately change banks and payment arrangements. A change in beneficiary details is not, by itself, evidence of fraud.

But during a live transaction, it should never be treated as ordinary correspondence.

The sequence is simple:

CHANGE REQUEST → VERIFICATION → INDEPENDENT CONFIRMATION → PAYMENT

In this case, the sequence was reversed.

The payment came first.

The verification came later.

The lesson was expensive: when the destination of the money changes, trust should pause until verification catches up.

Amit Tata
Editorial team

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THE COST OF LIQUIDITY

Why Capital Has Become a Trade Advantage?

A profitable deal is not necessarily a fundable deal.
That distinction is easy to miss when everyone is focused on the spread.
Buy at $500 a tonne. Sell at $540. A $40 gross margin looks attractive. But if the supplier wants cash today, the cargo arrives in 30 days and the buyer pays 60 days after delivery, the economics change quickly.
The trader has a cash-flow problem before having a profit problem.
Someone has to fund the gap.
That is the real role of working capital in international trade.

PROFIT ON PAPER, PRESSURE IN CASH

Consider a $1 million purchase with a committed resale at $1.08 million.
The gross margin is $80,000.
But the supplier wants payment at shipment. Delivery takes 30 days. The buyer pays 60 days after delivery.
The trader may need to carry the transaction for roughly 90 days, before adding freight, insurance, duties, financing costs and unexpected delays.
If available liquidity is only $300,000, the trader may have a profitable contract that cannot be executed.
Profitability tells you what the deal can earn. Liquidity determines whether you can reach the earnings.
This is why working capital is not an accounting detail. In trade, it is operational capacity.

THE CAPITAL GAP

Look at the cash-flow timeline:

Supplier Payment → Shipping → Delivery → Buyer Payment

CAPITAL GAP

The longer this gap, the more capital must be committed.

And capital has a price.

Interest rates, transaction tenor, currency, counterparty risk, collateral requirements and financing structure all affect the economics. A 3% margin can be attractive on a short cycle and unattractive when capital is tied up for months.

Payment terms therefore belong in the commercial negotiation.

A supplier offering the lowest price but demanding immediate cash may create a more expensive transaction than a supplier charging slightly more while offering workable credit terms.

Price is not the full cost of a trade.
The cost of capital is part of it.

HOW TRADE FINANCE CLOSES THE GAP

This is where trade finance becomes important.
A Letter of Credit can create a structured documentary payment mechanism and, depending on its terms, support financing around shipment and payment.

Supplier credit allows the seller to extend payment terms, effectively carrying part of the buyer's financing requirement.

Buyer credit provides financing to the buyer, allowing the transaction to proceed while repayment occurs later.

Other structures—including receivables finance and supply-chain finance—can also bridge different points in tine cash cycle.

The right structure depends on the transaction. There is no universal cheapest source of money.

The better question is:

Which financing structure allows the trade to complete at an acceptable risk-adjusted cost?

THE GLOBAL FINANCING GAP

This is not a niche problem.
The Asian Development Bank estimated unmet global demand for trade finance at approximately

$2.5 TRILLION

in 2025, equivalent to around **10%** of global trade.

THE MONEY BEHIND TRADE

Trade does not run on invoices alone. It runs on timing.
A buyer may have demand and a supplier may have the cargo, yet the transaction can stall when payment arrives weeks after the supplier must commit cash. That gap between when money is needed and when it is received is where trade finance becomes critical — and where capital can create value.

> **"THAT GAP BETWEEN WHEN MONEY IS NEEDED AND WHEN IT IS RECEIVED IS WHERE TRADE FINANCE BECOMES CRITICAL — AND WHERE CAPITAL CAN CREATE VALUE."**

That number represents more than businesses looking for **cheaper loans.**

It represents transactions that may have commercial value but lack financing at the right moment, **on terms that fit** their risk.

For smaller businesses and companies operating in emerging markets, the constraint can be particularly severe.

Trade finance therefore sits at an interesting intersection **between commerce and** investment.

The opportunity is not simply to finance anything that looks profitable.

It is to identify transactions **where the underlying commercial activity is credible, the repayment source is visible and the risk can be understood and priced.**

That is what makes a transaction financeable.

WHERE CAPITAL MEETS COMMERCE

A strong trade-finance opportunity should answer four questions:

1. What is being financed?
2. Who ultimately repays the capital?
3. When does repayment occur?
4. What could prevent it?

The return matters. But so does the path to the return.

A $1 million transaction with an $80,000 gross margin is not automatically better than a $1 million transaction with a $50,000 margin.
If the first requires 180 days of expensive capital and the second turns in 45 days with a stronger repayment structure, the lower-margin transaction may produce the better risk-adjusted outcome.
That is the point many traders miss.
Margin measures the opportunity.
Cash flow measures the survivability.
Capital has therefore become more than a financing input.
It is a competitive advantage.

The trader who can finance a sound transaction at the right cost can compete for opportunities that others must leave on the table.

The question is not simply:
"How much profit does this trade generate?"
It is:
"Can the capital sustain the journey from contract to cash?"

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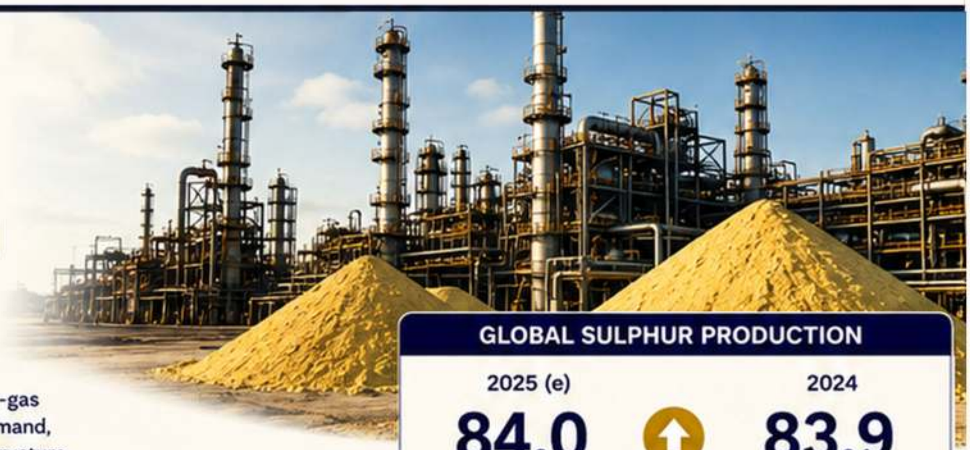
SULPHUR

The Commodity Behind the Fertilizer Chain

COMMODITY INTELLIGENCE DOSSIER

Sulphur is primarily a by-product of oil refining and natural-gas processing. Its supply is determined not only by market demand, but by hydrocarbon throughput, recovery efficiency, infrastructure, and access to markets. Disruptions upstream can become fertilizer-cost shocks downstream.



GLOBAL SULPHUR PRODUCTION

2025 (e)	2024
84.0 million tonnes	**83.9** million tonnes

USGS expects supply to increase as new and upgraded refining capacity comes online, while new high-pressure acid-leach nickel projects add another source of sulphur demand.

Source: USGS – Mineral Commodity Summaries 2026

THE SULPHUR VALUE CHAIN

Oil & Gas Extraction → H_2S in Sour Gas & Crude → Sulphur Recovery (Claus Process) → Elemental Sulphur → Sulphuric Acid → Phosphate Fertilizers

UPSTREAM DRIVER: REFINERY & GAS PRODUCTION

DOWNSTREAM DRIVER: PHOSPHATE FERTILIZER CHAIN

01 WHERE IT COMES FROM

Sulphur is mostly produced where hydrocarbons are processed.

The dominant commercial source is the removal of sulphur compounds from:

- CRUDE OIL
- NATURAL GAS (SOUR GAS)
- REFINERY STREAMS
- GAS PROCESSING
- OTHER MINERAL & METALLURGICAL STREAMS

THE THREE MAJOR SUPPLY CHANNELS

Source	Mechanism	Commercial Importance
Natural Gas Processing	H_2S removed from sour gas and converted to elemental sulphur	Major ★★★★★
Oil Refining	Sulphur compounds removed during refining/desulphurization	Major ★★★★☆
Sulphide Ores / Metallurgy	Sulphur recovered through metallurgical processes or produced as sulphuric acid	Important for acid supply, industrial sulphur for refinery & sulphuric acid ☆

Sulphur supply is partly a function of hydrocarbon throughput rather than sulphur price.

02 GEOGRAPHIC CONCENTRATION (2025 ESTIMATES)

Country	2025 Estimated Production (Mt)
China	19.0
United States	8.1
Russia	7.5
Saudi Arabia	7.2
UAE	6.3
Canada	5.0
Kazakhstan	4.8
India	3.7
Qatar	3.1
South Korea	3.1
Japan	2.7
Iran	2.1
Chile	1.4
Kuwait	1.3
Other Countries	8.6
World Total	84.0 Mt

Sulphur production is concentrated near major hydrocarbon processing hubs, not necessarily where sulphur is consumed.

03 GLOBAL TRADE FLOW (2025)

TOP EXPORTERS (Mt)		TOP IMPORTERS (Mt)	
Canada	5.2	India	5.4
Saudi Arabia	4.0	Brazil	4.2
UAE	3.1	China	3.6
Netherlands	2.6	Morocco	2.6
United States	2.1	Australia	2.2

Trade flows from hydrocarbon-rich regions to regions with high demand for sulphuric acid and fertilizers.

Source: UN Comtrade 2025

04 MAIN USES OF SULPHUR

- 66% Sulphuric Acid (Fertilizers, Chemicals, Mining, Refining)
- 17% Phosphate Fertilizers (MAP, DAP, TSP, SSP)
- 6% Metal Processing (Leaching, Smelting)
- 5% Industrial Chemicals
- 6% Other Uses

KEY FERTILIZER LINK

Phosphate rock + Sulphuric acid → Phosphoric acid → MAP / DAP / TSP → Global food production

05 MARKET SIGNALS & OUTLOOK (2026)

SUPPLY
New refining and gas-processing capacity supports modest supply growth.

DEMAND
Strong demand from fertilizers, mining, and chemicals; new nickel projects add pressure.

RISK FACTORS
Geopolitical tensions, energy market volatility, and transport constraints can disrupt flows.

OUTLOOK
Sulphur market remains tight and strategically important for food security and industrial supply chains.

WHY IT MATTERS

INVISIBLE CONNECTOR
Links the energy sector to the fertilizer chain.

UPSTREAM DEPENDENCY
Supply tied to oil & gas processing, not just commodity price.

COST MULTIPLIER
Sulphur disruptions become fertilizer cost shocks.

STRATEGIC COMMODITY
Critical for global food security and industrial value chains.

KEY TAKEAWAY

Sulphur is not just an input. It is a strategic link between energy and food systems.

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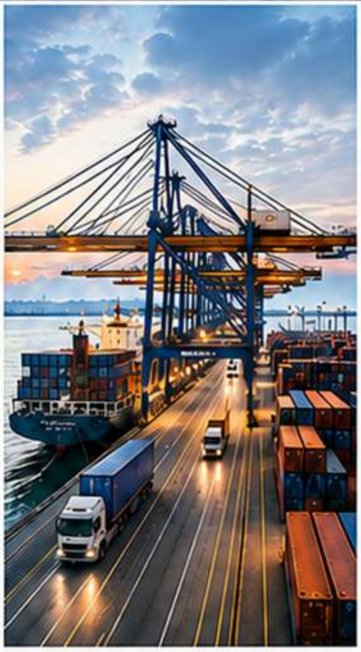
THE MARKETS ARE NOT MOVING IN ONE DIRECTION

What is firming, what is softening, and what traders should watch next

Commodity markets are sending mixed signals. Food markets are gaining support from stronger demand in selected categories, while fertilizer-linked commodities remain unusually sensitive to logistics, energy and geppolitical risk. The important story is not simply whether prices are rising or falling. It is why the physical market is moving — and whether that driver is temporary or structural.



SUGAR — FIRMING

Sugar is finding support as supply concerns become more relevant to the market. The bigger variable is the relationship between crop conditions, export availability and energy economics. When crude prices rise, the economics of Brazil's sugar-versus-ethanol decision can also become more important. The result is a market where supply expectations can change faster than headline inventories suggest.

WATCH: Brazilian production, ethanol economics, export availability.

RICE — STABLE, BUT NOT DORMANT

Rice remains one of the more balanced markets in the current food complex. Global availability is relatively comfortable, limiting immediate upside pressure. But stability should not be confused with inactivity: weather, export policy and regional buying can quickly change the balance in a market where trade is concentrated among a limited number of major suppliers.

WATCH: Export policy, Asian demand, crop conditions.

PULSES & LEGUMES — MIXED

This is a market where averages tell less of the story. Supply conditions vary significantly by origin and crop, creating different pricing dynamics across individual products. For buyers, diversification of origin matters as much as the headline market direction.

WATCH: Crop conditions, origin availability, freight.

MEAT — SOFTER

The meat complex has lost some momentum. International meat prices declined in July, with the FAO Meat Price Index falling 2.8% month on month. Poultry was also under pressure as ample Brazilian export availability increased competition.

WATCH: Export competition, feed costs, consumer demand.

UREA — VOLATILE

Urea remains highly exposed to the intersection of fertilizer demand, energy markets and logistics. Disruptions around major export corridors can quickly question into a pricing question. The current market therefore requires more than a benchmark price: origin, availability and route are part of the price.

WATCH: Gulf export flows, shipping routes, gas prices, import demand.

POULTRY — SUPPLY IS THE STORY

Poultry is currently more supply-led than demand-led. Strong export availability, particularly from major origins, is increasing competition and limiting pricing power. For buyers, this creates opportunities — but also makes origin selection and freight economics increasingly important.

WATCH: Brazilian exports, freight, regional demand.

EDIBLE OILS — FIRMING

This is one of the clearest firming signals in the food complex. The FAO Vegetable Oil Price Index reached its highest level since June 2022 in July, while India's edible-oil imports surged to a 10-month high as refiners rebuild inventories ahead of the festival season.

The implication is straightforward: physical buying is becoming an important price signal.

WATCH: Indian imports, palm oil flows, sunflower and soybean oil spreads.

TEA — MIXED

Tea remains fragmented across origins, with auction conditions and regional supply producing different signals rather than one global direction. Procurement decisions therefore need to remain origin-specific rather than relying on a single market narrative.

WATCH: Auction prices, weather, origin availability.

FOOD INGREDIENTS & ADDITIVES — REGULATORY WATCH

For ingredients and additives, regulation is becoming part of the commercial equation. Changes in permitted inputs, documentation requirements or market access can affect trade even when physical supply and demand remain unchanged.

WATCH: Regulatory changes, import requirements, documentation.

SULPHUR — TIGHT

Sulphur remains one of the most strategically exposed commodities in the portfolio. Physical availability is shaped not only by fertilizer demand but by refinery utilization, gas processing, export terminals, inventories and maritime access. That makes logistics almost as important as production itself.

WATCH: Gulf supply, refinery throughput, freight, inventories, phosphate demand.

THE SIGNAL BEHIND THE SIGNAL

The common mistake in commodity trading is to ask only:

"Is the price going up or down?"

The better question is:

"What is changing underneath the price?"

For sugar and edible oils, demand and supply expectations are providing support. Rice remains comparatively balanced. Meat and poultry are facing greater supply competition. Urea and sulphur continue to be shaped by energy, logistics and global industrial demand. The market is not moving in one direction. It is moving in many — each with a different reason.

POLICY WATCH

Correspondent Banking — The banking chain is becoming part of the trade itself, as access to credible correspondent relationships increasingly determines whether cross-border transactions can settle.

Trade Finance — Tighter risk appetites are making confirmed credit, reliable bank instruments and available liquidity increasingly decisive to the execution of physical trade.

Compliance — KYC, AML and sanctions controls are moving from back-office procedure to a front-line condition of market access.

Payment Routes — A transaction can have a willing buyer, a willing seller and a ready cargo, yet still fail if its currency, banks, jurisdictions or settlement route cannot pass the compliance test.

CONTROL CHECK

KYC • AML • SANCTIONS • BO • UBO • PEP • EDD • SCREENING • DOCUMENTS • JURISDICTION

INVESTMENT OPPORTUNITY

Financing the Inputs That Keep Industry Moving

In manufacturing, the constraint is increasingly not demand but the ability to pay for what comes before production.

A factory may have orders on its books, established buyers and unused capacity, yet still be unable to produce at scale because the cash required to purchase raw materials is tied up in receivables, inventory or other parts of the business. For manufacturers operating on narrow working-capital cycles, a delay in financing can quickly become a reduction in output.

This creates a distinct opportunity for Sharia-compliant commodity finance through Murabaha.

From Capital to Production

Under a properly structured Murabaha transaction, an investor or financier purchases identified raw materials from a supplier and subsequently sells them to a qualified manufacturer at an agreed cost plus profit margin. Payment is deferred according to predetermined commercial terms.

The distinction is fundamental. The capital is not simply advanced as cash. It is deployed into an identifiable commercial transaction involving real goods, documented ownership and a defined buyer.

The economic cycle is straightforward:

Capital → Commodity Purchase → Manufacturer → Production → Finished Goods → Buyer → Settlement

This structure can be applied to a broad range of industrial inputs, including metals, chemicals, agricultural commodities, food ingredients, packaging materials and other essential raw materials.

The proposition is simple: finance the input, enable the production, support the trade—and participate in the value created by the real economy.

For investors interested in exploring this opportunity, Qasr Al Anqaa's investment specialists can discuss the underlying model, transaction structure, risk considerations and potential participation opportunities.

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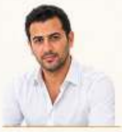
(Full article continues on pages 2–3)

CARAVAN
THE EXECUTIVE NEWSLETTER OF
QASR AL ANQAA GROUP OF COMPANIES

WHEN BANKING BECOMES PART OF THE SUPPLY CHAIN

Why Financial Infrastructure Is Becoming a Competitive Factor in Global Trade



By Rami Ahmed Hassan
From the Caravan Editorial Team

For decades, international trade was easy to visualize:

Factory → Port → Ship → Buyer

The financial system sat somewhere behind the picture. Important, certainly, but largely invisible.

That model is becoming outdated.

Today, a transaction can have a genuine supplier, a willing buyer, available cargo and an attractive price — and still fail to close.

The problem may not be the commodity at all.

A bank may not accept the counterparty.
A payment route may not support the transaction.
Financing may not be available when the cargo needs to move.
Documents may trigger additional review.

The goods remain available.
The money simply cannot move.

That is changing the meaning of supply-chain risk.

THE FINANCIAL LAYER IS NOW PART OF THE TRADE

Banks were once viewed primarily as settlement infrastructure. Increasingly, their decisions can influence whether the physical transaction itself proceeds.

A compliance review can delay loading.

A financing constraint can stop procurement.

A payment restriction can disrupt delivery.

This means the financial system is no longer simply supporting the supply chain from the background.

It has become one of its operating layers.

For traders, this creates a broader definition of execution.

The question is no longer only whether the cargo exists, whether the quality is right or whether the price is competitive.

The question is whether the entire structure can function together:

Commodity. Counterparty. Contract. Banking. Capital. Logistics. Settlement.

A weakness in one can undermine the economics of all the others.

THE NEW COMPETITIVE ADVANTAGE

This has an important commercial consequence.

The cheapest cargo is not necessarily the cheapest trade.

The highest-margin transaction is not necessarily the best opportunity.

And a supplier with access to physical supply is not necessarily a supplier with executable supply.

Increasingly, competitive advantage belongs to companies that can coordinate the physical and financial sides of a transaction before problems emerge.

That requires financial and compliance readiness to be considered from the beginning — not treated as paperwork after the commercial agreement has already been reached.

The architecture of global trade is changing.

The supply chain is no longer just the movement of goods from one location to another.

It is the coordinated movement of goods, documents and money through a network of commercial and financial institutions.

The question for the next generation of traders will therefore be less about whether they can find a deal.
It will be about whether they can make the deal executable.

Money is not outside the supply chain.
Money is part of it.

> “A TRADE IS NOT EXECUTABLE BECAUSE THE GOODS ARE AVAILABLE. IT IS EXECUTABLE WHEN THE ENTIRE STRUCTURE AROUND THEM CAN WORK.”