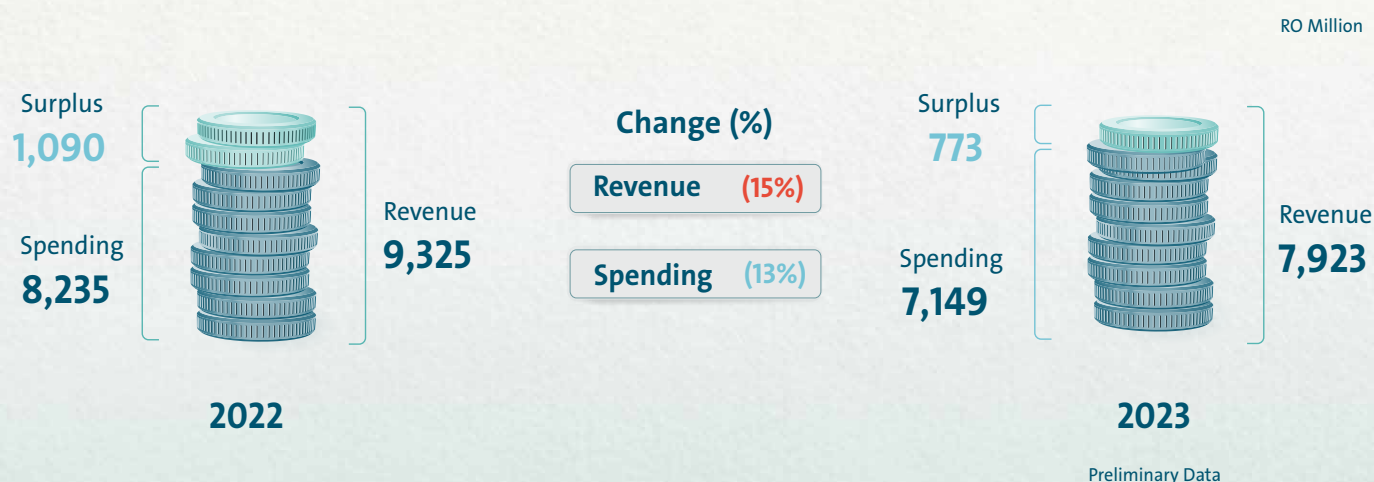


Fiscal Performance

Monthly Bulletin Published by the Ministry of Finance

As of end-August 2022		As of end-August 2023
1,047	Average of Daily Oil Production (Thousand bbl)	1,056
91	Average Oil Price (US\$ per barrel)	82
4,594	Net Oil Revenue (RO Million)	4,145

► Fiscal Performance at the end of August



Fiscal Performance

As of End-August 2023

► Public Revenue

At the end of August 2023, public revenue amounted to RO 7,923 million, down by 15% when compared to an amount of RO 9,325 million registered over the same period in 2022.

RO Million

Statement (As of end-August)	2022	2023	Change (%)
Net Oil Revenue	4,594	4,145	(10%)
Net Gas Revenue	2,386	1,434	(40%)
Current Revenue	2,331	2,334	0.12%
Capital Revenue & Repayments	14	10	-
Total	9,325	7,923	(15%)

The followings are the most important items of public revenue:

1 Hydrocarbon Revenue

■ Net Oil Revenue

At the end of August 2023, net oil revenue amounted to RO 4,145 million, down by 10% when compared to RO 4,594 million registered over the same period in 2022. Average oil price amounted to US\$ 82 per barrel and average oil production reached 1,056 thousand barrels per day.

■ Net Gas Revenue

At the end of August 2023, net gas revenue amounted to RO 1,434 million, down by 40% when compared to RO 2,386 million registered over the same period in 2022. This is due to the deduction of gas purchase and transport expenses from total revenue collected from Integrated Gas Company.

2 Current Revenue

By the end of August 2023, current revenue increased to RO 2,334 million, compared with an amount of RO 2,331 million collected over the same period in 2022.

Fiscal Performance

As of End-August 2023

► Public Spending

By the end of August 2023, public spending amounted to RO 7,149 million, down by RO 1,086 million, i.e. 13% compared to actual spending over the same period in 2022.

The followings are the most important items of public spending:

1 Current Expenditure

At the end of August 2023, current expenditure amounted to RO 5,463 million, down by RO 823 million, i.e. 13% when compared to an amount of RO 6,286 million registered over the same period in 2022.

2 Development Expenditure

By the end of August 2023, development expenditure of civil ministries reached RO 572 million, representing 64% of total development spending, i.e. RO 900 million, allocated for 2023.

3 Contributions and other Expenses

By the end of August 2023, the total of contributions and other expenses amounted to RO 914 million, down by 21% compared with RO 1,150 million recorded over the same period in 2022. The electricity sector subsidy and oil product subsidy amounted to RO 244 million and RO 206 million, respectively. Furthermore, an amount of RO 266 million was transferred to future debt obligations budget-item.

► Surplus/Deficit

By the end of August 2023, the State's General Budget registered a surplus of **RO 773 million** compared to a surplus of **RO 1,090 million** achieved over the same period in 2022.

Oman's Credit Rating

Oman's efforts exerted towards fiscal consolidations, public debt reduction and liability management operations, besides high oil prices, led to an improvement in public finance. This also prompted the key ratings agencies to improve the credit rating of Oman, after significant decline over the past years.

➤ Credit rating trends (2018-2023):

Agency	2018	2019	2020	2021	2022	2023
Moody's	Baa3	Ba1	Ba3	Ba3	Ba3	Ba2
S&P Global	BB	BB	B+	B+	BB	BB+
Fitch	BB+	BB+	BB-	BB-	BB	BB+

The year 2022 marks the recovery of Oman's credit rating. In their recent reports issued in September 2023, S&P Global and Fitch upgraded the credit rating of Oman. These agencies pointed out that the credit rating of Oman could be further upgraded in case the Government continue the fiscal consolidation measures and reducing public debt, notably external debt.



Global and National Economic Performance

Global Economy

According to the Organization for Economic Co-operation and Development (OECD)'s latest Economic Outlook (September, 2023), the world economy is expected to grow to 3% from 2.7% during this year, compared to OECD's Economic Outlook (June, 2023). The OECD decreased its forecasts for the global growth from 2.9% to 2.7% in 2024.

Global Oil Market

According to Fitch report (September, 2023), the Brent crude oil is projected to average US\$ 80 per barrel in 2023 and US\$ 75 per barrel in 2024. However, S&P Global predicted, in its recent report, that Brent crude oil will average US\$ 83 and US\$ 85 per barrel in 2023 and 2024, respectively.

National Economy

According to NCSI, Oman's GDP increased by 2% at constant prices by the end of H1-2023, registering RO 17,045 million, compared with RO 16,700 million registered over the same period in 2022.

