

INVESTING IN THE NEW KUWAIT: CHALLENGES AND OPPORTUNITIES

EUROMONEY KUWAIT CONFERENCE 2017

KUWAIT: Our ninth Euromoney Kuwait conference will be held on 26th September 2017, in Kuwait City. Co-hosted by the Ministry of Finance, it will bring together issuers, investors and intermediaries to discuss the diverse opportunities, and challenges, the government's New Kuwait initiative is creating.

Our line-up of high-level speakers - drawn from government, business, economics and finance - will debate topics that include: the progress of the government's ambitious New

Kuwait strategy; the falling oil price and its impact on the economy, finance and investment; an update on mega projects and their progress; using capital markets to finance projects - sovereign, corporate and FIG issuance; and regional and international opportunities for investing Kuwait's wealth.

"Kuwait's economic health is central to the prosperity of the wider Gulf region," says Victoria Behn, Director for Middle East and Africa at Euromoney Conferences. "The successful imple-

mentation of the government's bold economic and financial reform plan will act as a bellwether to other nations in the region. It will prove that a fully diversified, free-market economy is both achievable and desirable in the GCC."

Confirmed speakers include:

- Deputy Prime Minister and Minister of Finance of the State of Kuwait Anas Al-Saleh
- Central Bank of Kuwait's Governor, Dr Mohammad Youssef Al-Hashel
- KAPP's General Manager, Mutlaq Mubarak Al-Sanei
- Gulf Bank's Chairman and Alghanim Industries' Chief Executive Officer, Omar Alghanim
- Kuwait Banking Association's Deputy Chairman and Boubyan Bank's Vice Chairman and Chief Executive Officer, Adel Abdul Wahab Al-Majed
- National Bank of Kuwait's Deputy Group Chief Executive Officer, Shaikha Al-Bahar
- Aberdeen Asset Management's Chief Executive Officer, Martin Gilbert
- Boursa Kuwait Securities Company's (BKSC) Chief Executive Officer and Kuwait Clearing Company's (KCC) Chairman, Khaled Abdulrazzaq Al-Khaled
- Al-Ahli Bank of Kuwait's Chief Executive Officer, Michel Accad
- Al-Hossam Legal's Managing Partner, Hossam Abdullah



ZAIN LAUNCHES HAJJ PROMOTION FOR FREE

KUWAIT: Zain, the leading telecommunications company in Kuwait, launched its special promotion for customers traveling to perform Hajj this year. The promotion offers postpaid customers the opportunity to enjoy their existing local Internet capacities at the Hajj rituals locations in the Kingdom of Saudi Arabia without any additional charges.

Zain's annual promotion comes as part of its keenness to keep customers connected to each other and to their loved ones during Hajj season each year and without any additional charges from their part. The offer allows postpaid customers to use their existing local Internet capacities at the Hajj rituals locations in holy Makkah and Madina with no additional charges.

Upon arrival to the Kingdom of Saudi Arabia, postpaid customers can simply activate the promotion by sending DATA ON to 99990 to enjoy their local Internet caps. The limited time offer starts from 23 August until 6 September. Additionally, when customers exceed the limit of their current Internet capacity, they will receive a FREE renewal with no additional charges.

Zain continuously offers services that are tailored to match its customers' expectations and needs during their



travels, and to keep them connected to their loved ones and businesses with more convenience and around the clock. By launching this exciting offer, Zain continues to reinforce its leadership position and its pledge in offering the best services and offers to meet customers' professional and personal telecommunications needs.

VENEZUELA'S PDVSA DEFENDS 'PERFECT' TIES WITH RUSSIA

CARACAS: Venezuela's alliance with Russia is "perfect," the president of state oil company PDVSA said, blasting what he said was a US-led attempt to sully the growing ties between the two nations. Reuters last week published a Special Report revealing that Venezuela's unraveling socialist government is increasingly turning to Russia for the cash and credit it needs to survive and offering prized state-owned oil assets in return, sources familiar with the negotiations told Reuters.

Venezuela's opposition lawmakers say Russia is behaving more like a predator than an ally, scooping up assets on the cheap and gaining control of much of the OPEC nation's crude for trading at a time when President Nicolas Maduro is desperate for financing.

PDVSA President Eulogio Del Pino said the United States and its allies were trying to hurt Caracas' relationship with Moscow because they feared losing Latin America to Russia's sphere of influence. "That's why they're attacking you Russians," said Del Pino in a televised broadcast from the Petrozamorá joint venture with Russia's Gazprombank.

"That's why the North American empire goes against our nation, why they threaten us so blatantly. Because they see a threat to what for over 80 years they considered their backyard."

Without directly mentioning Reuters, Del Pino also criticized that "every piece of news that these nation-hating people generate goes against the oil industry" as part of a broader attempt to destabilize leftist-run Venezuela. — Reuters

YOUNG TAIWANESE CHOOSE CHINA JOBS OVER POLITICS

TAIPEI: Taiwan has long seen its international allies switching allegiance to an ascendant Beijing, but now there are also fears of a brain drain of the island's youth as they pursue careers in rival China.

Cross-strait tensions have soared since China's Tsai Ing-wen took power last year, with Beijing cutting all official communication. China still sees the self-ruling island as part of its territory to be reunified, but young people in particular have increasingly developed a sense of pride in their Taiwanese identity.

They have been at the forefront of anti-Beijing sentiment in recent years, famously occupying Taiwan's parliament in protest at trade deals with China in the Sunflower Movement of 2014.

However, with monthly starting salaries for college graduates unchanged at below Tw\$30,000 (\$1,000) since the 1990s and property and consumer prices spiralling upwards, some are now taking a more pragmatic approach. China is also wooing young Taiwanese talent in what analysts say is a "soft power" push to sway political sentiment.

Katherine Wang, 33, quit kindergarten teaching in Taipei and co-launched a business in May offering a variety of courses for young Chinese women in southeastern Xiamen city, saying she feels "hopeless" about Taiwan's economy. "I see a ray of hope in Xiamen and working there makes me happy. I want to make a name for myself and my partners and hopefully expand our business to all over China," she explained.

Wang receives free housing and office space as an incentive from the Xiamen city government, an example of the perks offered by provincial authorities, which also include generous grants.

According to China's Taiwan Affairs Office (TAO), over 6,000 Taiwanese young people are working or interning at more than 50 youth start-up bases launched since 2015. Top Chinese political and business leaders, including Premier Li Keqiang and Alibaba founder Jack Ma, have also encouraged Taiwanese youth to chase careers in China.

While Wang says she has no strong political views, others who do are putting them to one side for jobs. One twenty-something has opted to work in China even though he supports Taiwanese independence - a concept intolerable to Beijing. "I just focus on how to do my job well," the young worker told AFP on condition of anonymity, saying he hoped it would be a stepping stone to an international career.

"My Chinese colleagues sometimes say



TAIPEI: This photo taken on July 1, 2017 shows visitors walking past recruitment booths during a jobs fair in Taipei. Taiwan has long seen its international allies switching allegiance to an ascendant Beijing, but now there are also fears of a brain drain of the island's youth as they pursue careers in rival China. —AFP

things like 'Taiwan is a part of China' but that's their freedom of speech," he said. Despite being a fully-fledged democracy, Taiwan has never announced a formal split from China. Beijing has threatened military action if it ever did.

'Carrots' for youth

There are already well-established business links between China and Taiwan. Taiwanese manufacturers flocked to the mainland to take advantage of its resources and cheaper labour after restrictions were lifted in the late 1980s. China is also Taiwan's biggest trade partner and market, with exports there totalling \$112 billion — 40 percent of last year's total.

But the youth links have an extra dimension, says Shih Cheng-feng, a political analyst at National Dong Hwa University. "China realises that it needs to take a soft approach and use 'carrots' to attract (young people) in the hope that they will have some impact at critical time, such as the presidential election," Shih told AFP.

"Young people may not actively support Beijing's agenda, but their hostilities can be

reduced and that for Beijing is a worthwhile investment," he explained. There is no official data in Taiwan on the number of youngsters currently working in China. However, a survey released by the Taipei-based Global Views magazine in March showed that nearly 60 percent of respondents aged 20-29 years old were willing to work there.

Interest was reflected in a recent recruitment drive by China's Hainan Airlines, with more than 1,500 Taiwanese applicants applying for 80 jobs based in Beijing, according to Chinese state media.

Some say such cross-strait exchanges are a good alternative way to promote stability as official ties worsen, but others fear a brain drain that will hurt Taiwan's competitiveness.

A commentary in Taiwan's Liberty Times this month accused China of trying to divide the island and draw young people away from their political ideals. "If young generations can't see hope in Taiwan and feel pessimistic about the future, and if poverty becomes a fact, how can they feel the obligation to insist on democracy and defend ideals?" it said. — AFP

GEOPOLITICAL UNCERTAINTY STALKS MARKETS AFTER SPAIN ATTACKS

LONDON: An aversion to risk was evident in financial markets Friday after the attacks in Spain. Stock markets around the world were under pressure while traditional safe haven assets, such as gold, were in demand.

KEEPING SCORE: In Europe, the FTSE 100 index of leading British shares was down 1 percent at 7,316 while France's CAC 40 fell 1.1 percent to 5,089. Germany's DAX was 0.5 percent lower at 12,137. Wall Street was poised for a subdued opening with Dow futures and the broader S&P 500 futures down 0.1 percent.

BARCELONA ATTACK: The source of the risk aversion gripping markets particularly in Europe was the attacks in Spain. On Friday, police shot and killed five people wearing fake bomb belts who staged a deadly car attack in Cambrils, a seaside resort in Spain's Catalonia region, just hours after a van plowed into pedestrians on a busy Barcelona promenade. Spanish authorities said the back-to-back vehicle attacks - as well as an explosion earlier this week in a house elsewhere in Catalonia - were related and the work of a large terrorist group. In total, 14 people were killed in the attacks, 13 in Barcelona and one in Cambrils.

TRUMP TROUBLE: More uncertainty over developments in the White House also added to investor pessimism. President Donald Trump abandoned his plans to form an infrastructure advisory council, a day after the administration said it would close down two other advisory councils made up primarily of

business leaders. The White House was also forced to issue a statement dispelling swirling rumors that Gary Cohn, head of the National Economic Council, was stepping down, saying they were "100 percent false."

ANALYST TAKE: "We're seeing risk aversion in the markets again on Friday, with the possibility of a self-inflicted crisis within Donald Trump's White House and another terror attack, this time in Barcelona, weighing on risk appetite," said Craig Erlam, senior market analyst at OANDA.

RISK: Risk aversion traditionally sees supposedly risky assets such as stocks come under pressure, while supposed safe havens, such as gold and the Swiss franc, garner support. The precious metal was up 0.7 percent at \$1,300 an ounce.

ASIAN SCORECARD: Japan's benchmark Nikkei 225 index lost 1.2 percent to close at 19,470.41 and South Korea's Kospi shed 0.1 percent to 2,358.37. Hong Kong's Hang Seng sank 1.1 percent to 27,047.57, while the Shanghai Composite index ended flat at 3,268.72. Australia's S&P/ASX 200 fell 0.6 percent to 5,747.10.

CURRENCIES: The euro was up 0.2 percent at \$1.1741 while the dollar fell 0.4 percent to 109.08 yen.

ENERGY: Oil prices were little changed, with the benchmark New York rate up 9 cents at \$47.18 a barrel. Brent, the international standard, was 8 cents firmer at \$51.11 a barrel. —AP

EXCHANGE RATES

AL-MUZAINI EXCHANGE CO.

ASIAN COUNTRIES	
Japanese Yen	2.759
Indian Rupees	4.746
Pakistani Rupees	2.870
Sri Lankan Rupees	1.971
Nepali Rupees	2.981
Singapore Dollar	223.020
Hongkong Dollar	38.695
Bangladesh Taka	3.737
Philippine Peso	5.988
Thai Baht	9.127

GCC COUNTRIES	
Saudi Riyal	80.787
Qatari Riyal	83.207
Omani Riyal	786.772
Bahraini Dinar	804.440
UAE Dirham	82.482

ARAB COUNTRIES	
Egyptian Pound - Cash	21.200
Egyptian Pound - Transfer	16.972
Yemen Riyal/for 1000	1.216
Tunisian Dinar	127.210
Jordanian Dinar	427.490
Lebanese Lira/for 1000	2.018
Syrian Lira	2.159
Morocco Dirham	32.414

EUROPEAN & AMERICAN COUNTRIES	
US Dollar Transfer	302.750
Euro	356.940
Sterling Pound	395.540
Canadian dollar	239.710
Turkish lira	85.890

Swiss Franc	316.020
Australian Dollar	240.230
US Dollar Buying	301.550

GOLD	
20 Gram	249.070
10 Gram	127.450
5 Gram	64.570

DOLLARCO EXCHANGE CO. LTD

Rate for Transfr	Selling Rate
US Dollar	302.350
Canadian Dollar	241.007
Sterling Pound	390.710
Euro	357.167
Swiss Franc	293.338
Bahrain Dinar	802.247
UAE Dirhams	82.716
Qatari Riyals	83.861
Saudi Riyals	81.477
Jordanian Dinar	427.428
Egyptian Pound	17.045
Sri Lankan Rupees	1.973
Indian Rupees	4.718
Pakistani Rupees	2.869
Bangladesh Taka	3.742
Philippines Peso	5.877
Cyprus pound	17.991
Japanese Yen	3.765
Syrian Pound	1.585
Nepalese Rupees	2.948
Malaysian Ringgit	71.344
Chinese Yuan Renminbi	45.765

Thai Bhat	10.094
Turkish Lira	86.281
Turkish Lira	86.247

BAHRAIN EXCHANGE COMPANY WLL

CURRENCY	BUY	SELL
British Pound	0.383761	0.393761
Czech Korune	0.005652	0.017652
Danish Krone	0.043818	0.048818
Euro	0.351058	0.360058
Norwegian Krone	0.134821	0.134821
Romanian Leu	0.081622	0.081622
Slovakia	0.009020	0.019020
Swedish Krona	0.033277	0.038277
Swiss Franc	0.307603	0.318603

Australasia	BUY	SELL
Australian Dollar	0.232241	0.244241
New Zealand Dollar	0.215517	0.225017

America	BUY	SELL
Canadian Dollar	0.235542	0.244542
US Dollars	0.298600	0.303020
US Dollars Mint	0.299100	0.303020

Asia	BUY	SELL
Bangladesh Taka	0.003260	0.003844
Chinese Yuan	0.043777	0.047277
Hong Kong Dollar	0.036817	0.039567

Indian Rupee	0.004160	0.004848
Indonesian Rupiah	0.000018	0.000024
Japanese Yen	0.002701	0.002881
Korean Won	0.000255	0.000270
Malaysian Ringgit	0.066809	0.072809
Nepalese Rupee	0.003020	0.003190
Pakistan Rupee	0.002669	0.002959
Philippine Peso	0.005802	0.006102
Singapore Dollar	0.216814	0.226814
Sri Lankan Rupee	0.001597	0.002177
Taiwan	0.009856	0.010036
Thai Baht	0.008773	0.009323

Arab	BUY	SELL
Bahraini Dinar	0.796242	0.804742
Egyptian Pound	0.015110	0.021018
Iranian Riyal	0.000084	0.000085
Iraqi Dinar	0.000189	0.000249
Jordanian Dinar	0.422330	0.431330
Kuwaiti Dinar	1.000000	1.000000
Lebanese Pound	0.000155	0.000255
Moroccan Dirhams	0.020826	0.044826
Omani Riyal	0.779814	0.785494
Qatar Riyal	0.078854	0.083794
Saudi Riyal	0.079633	0.080933
Syrian Pound	0.001283	0.001503
Tunisian Dinar	0.122158	0.130158
Turkish Lira	0.081232	0.091532
UAE Dirhams	0.080989	0.082689
Yemeni Riyal	0.000984	0.001064