

Business

Gulf Bank collaborates with Balance Business Advisory

Bank to support vital SME segment, contribute to its growth in local economy

KUWAIT: Gulf Bank is offering small and medium-sized enterprises (SMEs) comprehensive business and transaction advisory services to support their business activity and growth, as part of a collaboration with Balance Business Advisory. Gulf Bank's latest initiative comes as part of its strategic aim to grow and expand its portfolio of products and transaction banking services, in addition to providing an unparalleled customer experience for corporate clients and support for the SME sector. To further encourage SMEs to take advantage of the latest services offered, Gulf Bank is offering its clients a 15 percent discount with Balance Business Advisory.

As part of Gulf Bank's collaboration with Balance Business Advisory, SMEs will be able to enjoy access to a range of competitive and useful services and products for the first time. These services include business valuations, transaction advisory, feasibility and case studies, cost management, pricing strategies, and a multitude of other advisory services.

The latest initiative by Gulf Bank aims to support the small business segment in light of what has undoubtedly been a challenging year for SMEs, expanding on the range of non-financing services offered to SMEs. As part of the new partnership with Balance Business Advisory, clients can also take advantage of post-pandemic advisory services, including capital restructuring, budget reevaluation, and turnaround strategies in hopes of making better

financial decisions and aligning their long-term financial goals.

Regarding this initiative, the Assistant General Manager of Corporate Banking at Gulf Bank, Meshal Al-Wazzan, "Although business advisory services have traditionally been limited to larger corporations in the past, Gulf Bank is proud to be the first local bank to offer these necessary services to the SME segment. It is no secret that SMEs play an increasingly crucial role in Kuwait's economic diversification, creating job opportunities for locals and raising the value of entrepreneurship.

By offering these vital services to an equally vital segment, Gulf Bank aims to support SMEs to not only overcome the unforeseen challenges of this past year, but to also ensure that their businesses are standing on ground that is more solid than ever moving forward. Through our latest initiative with Balance Business Advisory, we hope to assist and rescue SMEs that have been affected by the pandemic, in addition to offering a range of other advisory services tailored to the SME segment. Through these efforts and more, Gulf Bank aims to offer even more services that can assist the small and medium-sized enterprises that are partnered with Gulf Bank, and contribute to the growth of this vital segment in the country."

It is worth noting that Gulf Bank is currently serving more than 7,000 companies through its business sector and across all branches. Gulf Bank



Gulf Bank Assistant General Manager of Corporate Banking Meshal Al-Wazzan during the signing of a contract with the representative of Balance Business Advisory.

currently offers companies the opportunity to conduct most of their corporate banking transactions online, including collection and payment services, employee salary transfers, point-of-sale services, payment gateways and payment links, in addition to the ability to open all kinds of accounts, issue debit

cards, and apply for SME financing solutions.

Earlier this year, Gulf Bank also launched a dedicated website through which SMEs can communicate with the Bank to inquire about commercial banking services and facilitate both financing and non-financing requests.

Malaysia slashes growth forecast after virus resurgence

KUALA LUMPUR: Malaysia's central bank slashed its economic growth forecast for this year on Friday after authorities imposed a new lockdown to fight a coronavirus surge driven by the highly-contagious Delta variant. Like other parts of Southeast Asia, the country is battling its worst COVID-19 wave yet, reporting tens of thousands of cases and hundreds of deaths a day.

The new lockdown, imposed in June, has forced the closure of most businesses and dealt a heavy blow to an already teetering economy—but has so far had little success in blunting the virus surge. Citing the re-imposition of curbs, the central bank slashed its full-year growth forecast to between 3.0-4.0 percent, down from 6.0-7.5 percent previously.

However, Bank Negara added it expected "a gradual recovery in the fourth quarter this year, with higher global growth and sustained policy support providing a further lift to economic growth". Wellian Wiranto, an economist from OCBC Bank in Singapore, said the forecast downgrade increased the chances of the central bank cutting interest rates next month.

The central bank also reported gross domestic product rose a better than expected 16.1 percent



KUALA LUMPUR: The weaker outlook comes after COVID-19 cases peaked in January, forcing renewed travel curbs that weighed on the recovery. — AFP

in the second quarter compared to the same period a year ago, when the economy suffered a pandemic-induced collapse. However, GDP shrank from the previous quarter.

Malaysia, which largely avoided the pandemic's

quarterly results have helped buoy markets on both sides of the Atlantic. "This has been a common feature of the markets recently, small and steady gains that have seen European stocks push into record territory," said Craig Erlam, senior market analyst at OANDA.

The gains in Europe also have been driven by strong COVID vaccine programs that have enabled countries to loosen restrictions, Erlam said. But rising US infections from the Delta variant and mixed inflation data will turn attention to economic data next week, notably retail sales, for a better read on the prospects for the world's largest economy.

Further evidence of inflation pressures after mixed data this week, would likely prompt the Federal Reserve to start to roll back its massive stimulus program sooner than expected. Fed chief Jerome Powell is due to address the annual central banking conference in Jackson Hole, Wyoming later this month, which could be the occasion for the first promised advance notice of a plan to taper the monthly pace of bond buying.

The worry is that tapering, along with an interest rate increase to contain inflation, could hamper the recovery. "Global investors are assessing the implications of the spread of the Delta virus, the possible tapering by the Fed, and China's clampdown," said Geir Lode, of Federated Hermes. In Asia, stock markets closed lower following a broadly positive week as the Chinese government tightens its grip on the world's second-biggest economy.

Crude prices extended their recent sell-off fueled by concerns that the Delta mutation would hurt demand, with the International Energy Agency warning as much in a report on Thursday. —AFP

initial wave last year, has now reported over 1.3 million virus cases and almost 12,000 deaths. But the country's vaccination rollout has picked up speed, with about 30 percent of Malaysia's 32 million inhabitants now fully inoculated. — AFP

Facebook encrypts Messenger calls in privacy move

SAN FRANCISCO: Facebook on Friday began rolling out encryption for voice or video calls made through its Messenger texting app, ratcheting up privacy for users. The move comes as the sanctity of data on smartphones becomes an increasingly sensitive topic. Encrypting text chats on Messenger has been an option since 2016.

The number of audio or video calls made on Messenger has surged since then to more than 150 million daily, prompting Facebook to add the option of scrambling exchanges from one end to the other to prevent snooping. "The content of your messages and calls in an end-to-end encrypted conversation is protected from the moment it leaves your device to the moment it reaches the receiver's device," Messenger director of product management Ruth Kricheli said in a blog post.

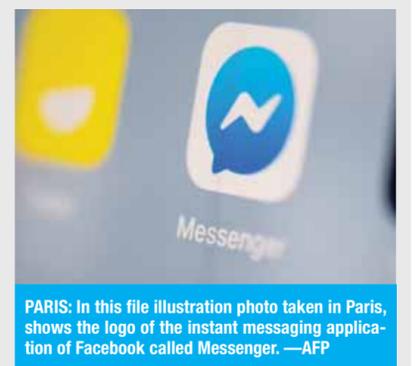
"This means that nobody else, including Facebook, can see or listen to what's sent or said."

End-to-end encryption is already widely used by apps including Facebook-owned WhatsApp and is becoming an industry standard. "People expect their messaging apps to be secure and private," Kricheli said. Facebook disclosed that it is testing encrypting group chats and calls on Messenger, as well as direct messages at its image-centric Instagram social network.

"We'll also kick off a limited test with adults in certain countries that lets them opt-in to end-to-end encrypted messages and calls for one-on-one conversations on Instagram," Kricheli said.

Apple's recent announcement that it would scan encrypted messages for evidence of child sexual abuse has revived debate on online encryption and privacy, raising fears the same technology could be used for government surveillance. The move represents a major shift for Apple, which has until recently resisted efforts to weaken its encryption that prevents third parties from seeing private messages. Apple argued in a technical paper that the technology developed by cryptographic experts "is secure, and is expressly designed to preserve user privacy."

Nonetheless, encryption and private specialists warned the tool could be exploited for other purposes, potentially opening a door to mass surveillance. The Apple move comes following years of standoffs involving technology firms and law enforcement. FBI officials have warned that so-called "end to end encryption," where only the user and recipient can read messages, can protect criminals, terrorists and pornographers even when authorities have a legal warrant for an investigation. —AFP



PARIS: In this file illustration photo taken in Paris, shows the logo of the instant messaging application of Facebook called Messenger. — AFP

Global stocks make modest gains after days of records

NEW YORK: US and European stock markets made modest gains on Friday after days of records as concerns about the pandemic sparked a surprise collapse in US consumer confidence. On Wall Street, the Dow and S&P 500 eked out a fourth consecutive record close and modest gains for the week amid thin summer trading.

European equities edged higher to cap the week, with Frankfurt's DAX 30 momentarily breaching the 16,000-point mark for the first time and Paris briefly reaching a 21-year high. US shares drifted higher at the open, but retreated after the University of Michigan reported its consumer sentiment index plunged to its lowest level in a decade as the Delta variant of COVID-19 continues to spread.

"There is little doubt that the pandemic's resurgence due to the Delta variant has been met with a mixture of reason and emotion" from consumers, the survey's chief economist, Richard Curtin said. The index fell 13.5 percent — one of the largest declines ever recorded — to 70.2 due to "dashed hopes that the pandemic would soon end," and the correct assessment that the economy will suffer, he added.

Healthy earnings

Earnings season is winding down but strong



NEW YORK: A woman exits from a Famous Footwear Store in Midtown New York. Stock markets were mostly lower Friday weighed down by a slump in oil prices over concerns about the economic impact of rising infections from COVID's highly contagious Delta variant. —AFP

Greek economy to grow despite COVID, fires: Minister

ATHENS: Greece's economy will weather the twin blows of the COVID-19 pandemic and massive wildfires this year, aided by better-than-expected tourism arrivals, the finance minister said Friday. "It's a good year compared to last year. Compared to our estimates...it's much better," Finance Minister Christos Staikouras told Mega TV, referring to tourism arrivals.

"Our estimate for 3.6-percent (economic) growth this year is absolutely feasible, and may actually be too conservative," he said. The budget had forecast 4.8 percent growth in 2021. In April, Staikouras had lowered the estimate to 4.2 percent, and to 3.6 percent in July.

Greek national output had plunged by 8.2 percent in 2020 as the pandemic shut down the global travel sector, one of the country's main sources of income. Greece had expected to recover only 45 percent of the pre-pandemic levels of revenue from 2019, but arrivals are currently at 70 percent, Staikouras said. Greece reopened to foreign travellers in May after a sustained campaign to vaccinate residents in islands and other tourism destinations.

The results have been mostly positive, with virus spikes limited in scope. The popular island of Mykonos went into curfew in July after a flurry of cases. Similar restrictions were imposed in Zakynthos and in two cities in Crete in recent days. Tourism is crucial to the Greek economy, as it accounts for 20 percent of GDP. Tourism revenue plunged to 4.3 billion euros (\$5.0 billion) in 2020 from 18 billion euros in 2019, while tourist arrivals fell 76.5 percent to just 7.4 million, according to the Greek Tourism Confederation Institute.

Greece has spent billions of euros propping up businesses during lockdowns since 2020, and additional spending will be required to sustain residents in areas devastated by wildfires over the past three weeks. Hundreds of homes and many businesses have been destroyed in Evia, Arcadia and the outskirts of Athens in the prolonged fire wave that struck Greece from late July and intensified last week, during the worst heatwave in decades.

Staikouras said the government would disburse an additional 500 million euros (\$586 million) this year in the wake of the fire disaster. — AFP