

# Kuwait Times BUSINESS

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## LULU EXCHANGE OPENS 2 NEW BRANCHES IN KUWAIT

Page 22

Indian exporters  
showcase their mettle

The 2016 Honda  
Accord Coupe

Page 23

Page 26

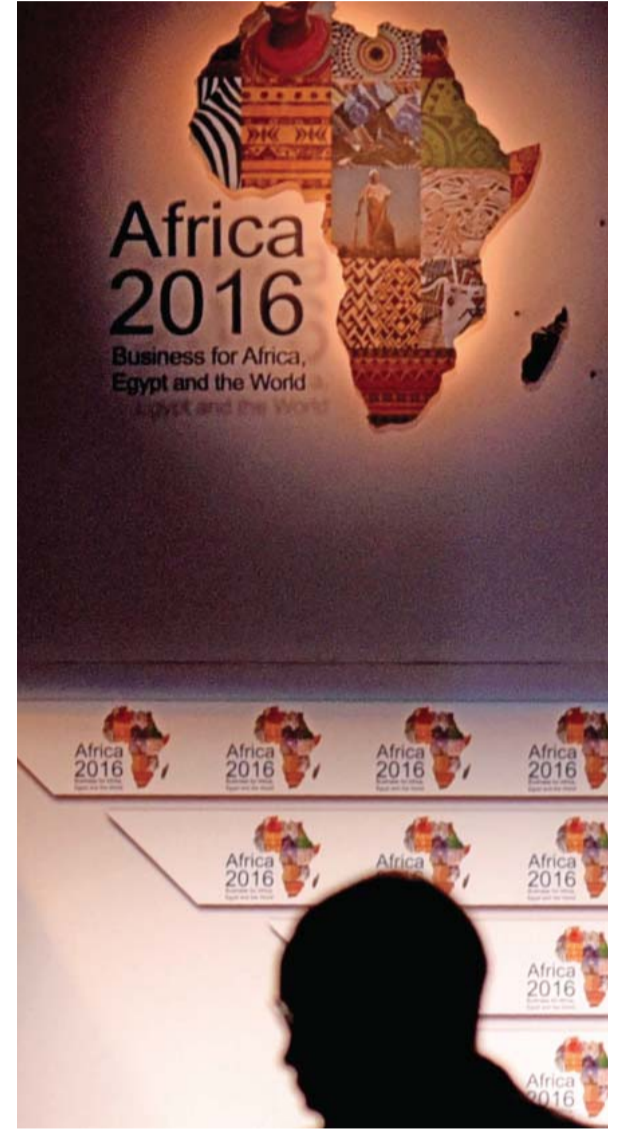


Oxford Business Group signs MoU with KDIPA

Pages 23



SHARM EL-SHEIKH: Egyptian Foreign Minister Sameh Shoukry speaks to the media during the "Africa 2016" conference in the Red Sea resort of Sharm El-Sheikh yesterday. More than 1,200 delegates including some heads of state are attending talks to sign business agreements during the two-day summit, aimed at attracting private sector investment. (Right) A man attends the "Africa 2016" conference. — AFP



# GULF MARKETS LOSE STEAM AS OPTIMISM FADES

## BUHARI TO DISCUSS OIL PRICE STABILITY WITH SAUDI KING

**DUBAI:** Most Gulf stock markets edged down yesterday after oil prices pulled back on Friday, as optimism faded over a proposed deal among crude producers to cap output. A rise in shares of Commercial International Bank buoyed Egypt's bourse.

Officials in some oil producing nations are still talking up the deal. Russia's energy minister said on Saturday consultations should be concluded by March 1, so there could be further surges in oil and equities prices before that date.

Meanwhile, Nigerian President Muhammadu Buhari will fly to Saudi Arabia to discuss with King Salman ways to stabilise crude oil prices, the presidency said in a statement yesterday. Buhari will also fly to Doha after his visit to the kingdom to discuss oil price stability with Qatar's ruler, the statement said.

"Ongoing efforts by Nigeria and other

members of the Organization of Petroleum Exporting Countries to achieve greater stability in the price of crude oil exports are expected to be high on the agenda of discussions," the presidency said before the trip later this week.

Nigeria's oil minister, Emmanuel Ibe Kachikwu, met his Qatari counterpart Mohammed Al-Sada yesterday, the Qatari Oil Ministry said in a statement. Qatar holds the current OPEC presidency.

Nigeria has been suffering from a slump in oil prices eroding vital oil revenues and whacking its currency. Russia, Saudi Arabia, Qatar and Venezuela said last week after talks in Doha that they were ready to freeze production at January levels if other producers do the same. Iran welcomed the deal but stopped short of saying it would itself freeze production at January levels and its deputy oil minister said on Saturday it would increase production soon. Buhari would also meet businessmen from

Saudi Arabia and Qatar to invest in Africa's top oil producer, the statement said.

Brent crude pulled back 3.7 percent on Friday to \$33.01 a barrel, showing expectations among many traders that the deal - if it goes ahead - will do little or nothing to reduce massive oil supplies already in the market. The Saudi stock index, which rose 3.9 percent last week, fell back 0.1 percent on Sunday, though trading remained active. Saudi Basic Industries slipped 0.7 percent.

Some second-tier stocks continued to attract eager buying by local retail investors, however, with Middle East Paper surging its 10 percent daily limit and Al Taysar Travel climbing 4.0 percent.

The Dubai stock index was almost flat. Real estate heavyweight Emaar Properties lost 0.8 percent. But construction firm Arabtec surged 8.3 percent after it reported a net loss of 360 million dirhams (\$98.02 million) for the three

months to Dec. 31, compared with a loss of 94.4 million dirhams a year earlier.

An analyst at SICO Bahrain had forecast Arabtec would make a quarterly net loss of 123.6 million dirhams in the latest quarter. However, investors may have been encouraged by the fact that the firm's loss narrowed sharply from a 944.8 million dirham shortfall in the third quarter of 2015.

GFH Financial, the most heavily traded stock, surged 6.9 percent. It has been rising sharply since Abu Dhabi Financial Group's capital markets arm, Integrated Capital, said on Wednesday it had increased its stake in GFH to 10 percent. Previously its stake was 7.4 percent. Qatar fell 0.6 percent as petrochemicals and metals producer Industries Qatar slid 1.6 percent. But Qatar Gas Transport Co (Nakilat) rose 0.4 percent after posting a 12.1 percent rise in fourth-quarter net profit to 226 million riyals (\$62 million) - although that was lower

than the 271.1 million riyals which QNB Financial Services had forecast. Qatari Investors Group, which plunged last week after it said it planned to delist from the market, jumped its 10 percent daily limit after it said it would hold an extraordinary shareholders meeting on March 6 to discuss the plan.

In Kuwait, mobile communications operator Ooredoo Kuwait jumped 9.4 percent after it raised its dividend for 2015 despite swinging to a fourth-quarter net loss. Egypt's stock index gained 1.1 percent as Commercial International Bank added 1.9 percent, while Egyptian Iron & Steel surged 10 percent. But total trading volume in the market was modest. Beltone Financial also surged 10 percent. It has more than doubled in the past eight trading days on expectations that its new owner, Orascom Telecom Media and Technology, will build it into a financial powerhouse. — Reuters

## ITALY CLOUDS OVERSHADOW RENZI'S SECOND ANNIVERSARY

**ROME:** Bullish and boyish in equal measure, Italian Prime Minister Matteo Renzi is not shy about blowing his own trumpet. To mark his second anniversary as premier, which falls yesterday, the Twitter-loving 41-year-old has posted a slideshow on his Facebook page vaunting his achievements since seizing power in an internal putsch inside his centre-left Democratic Party (PD).

As Renzi sees it and tells it, an Italy that was on the ropes when he took office is now bulking up economically, feeling better about itself and starting to punch its weight on the European and international stage. Few observers would contest that the country is in better shape now than it was two years ago. What they don't agree on is how much of the credit Renzi, a self-styled reforming "bulldozer", can take for that. Also up for debate is how much longer the brighter days will last as the related problems of mass migrant arrivals from Libya and the chronic instability of Rome's former colony loom on the horizon.

### Jobs expansion

The economy has pulled out of recession on Renzi's watch and unemployment has fallen. According to the premier, the 764,000 permanent new jobs created last year were proof labour market reforms enshrined in his 2014 Jobs Act are bearing fruit. But growth slowed to a virtual standstill in the last quarter of 2015 and skeptics say cheap money, cheap oil and a weak euro have been bigger factors in the jobs improvement.

Whatever the truth, the slowdown is threatening to derail the government's delicate balancing act between pro-growth tax cuts and investment and its commitment to trimming the country's 2.2 trillion euro debt. That in turn has set the stage for an intensification of the skirmishes with Brussels and Italy's EU partners that have become an increasingly prominent feature of Renzi's

administration and, some say, could cost Rome influence not gain it.

Renzi insists he is a Euro enthusiast but he often sounds like a skeptic. He has tussled with France over temporary border closures linked to migrant flows, Germany over a major gas pipeline project and fought the European Commission over the consolidation of bad debts by Italy's banks as well as budget issues.

### Migrant crisis deepening

None of those problems are going away anytime soon. On top of the gloomy macro-economic outlook, there is a perception that Italy's banks are vulnerable to a new financial crisis. Austria's intention to temporarily close its borders has intensified fears Italy could soon be forced to permanently accommodate a much bigger proportion of the migrants who have been arriving in Italy at a rate of more than 3,000 people a week for over two years now. And that is not the biggest Libya headache Renzi faces. Last week's US airstrikes against Islamic State targets in Libya again highlighted concern over the threat of the extremist group using the lawless north African state as a launchpad for attacks on Europe with Italy on the front-line. Rome has made plans to lead a stabilization force into Libya but for that to happen Libya must first form a government with the authority to ask for security help - still a remote prospect at the moment.

German Chancellor Angela Merkel initially greeted Renzi as a welcome new broom in the eurozone's third largest economy. But officials say her patience is beginning to wear thin. "Renzi is always playing his anti-Merkel theatre," an EU diplomat said. "It's just theatre, but it gets in the way of policy at times." "In the old days when their economy was struggling the country could just frustrate. Now they have to reform, that is frustrating and they respond with theatre." —AFP

# INCOME GAP, WALL STREET RULES BIG FOR DEMOCRATS

**LAS VEGAS:** Most Democrats consider income inequality a very important issue and half of them think tougher regulations of the financial markets imposed after the 2008 financial crisis did not go far enough, according to a poll released as Hillary Clinton and Bernie Sanders enter a crucial stretch for the party's nomination.

The poll conducted by The Associated Press-NORC Center for Public Affairs Research suggested support within the party for Sanders' fiery calls to increase regulations on Wall Street banks and address wide gaps between the nation's wealthy and poor. Most Democrats - and Republicans - support increasing the federal minimum wage, although they favor more incremental steps backed by Clinton, the poll found.

Clinton and Sanders are vying for support in Nevada, which was among the hardest-hit states during the economic downturn and holds its Democratic caucuses Saturday. The Clinton-Sanders contest, and Republican caucuses in the state three days later, could offer a snapshot of how the presidential field is being judged against the backdrop of more economic anxiety. The poll found that reducing income inequality, a message championed by Sanders, resonates deeply with Democrats. More than three-quarters of them in the poll say reducing the gap between rich and poor is very or extremely important for the next president to address. And 8 in 10 Democrats, but just 3 in 10 Republicans, say the government has some responsibility to reduce those income differences.

Democrats were even more likely to say that reducing poverty is very important for the next president (86 percent) than that reducing the gap between rich and poor is that important (77 percent). Among all Americans, 72 percent say cutting poverty is very important, while 57 percent say reducing



NEW YORK: The American flag flies above the Wall Street entrance to the New York Stock Exchange. — AP

the gap between rich and poor is.

Las Vegas resident Bernadette Davila, 50, who accompanied her 18-year-old son, Dante Ortiz, as he registered to vote at a Sanders office, said she wanted to see a woman in the White House, but also likes Sanders' ideas about the economy.

"I know we all struggle," Davila said. "I work in the school district helping teachers and I just have six hours a day, you know? And I see how hard these families work." She spoke of the richest 1 percent constantly cited by Sanders and said: "We really work and we have less." The poll offered good news for both Clinton and Sanders. Half of Democrats say government regulation of financial institutions and markets put in place after the 2008 financial crisis didn't go far enough, an approach in sync with Sanders' calls for more

vigorous regulations. An additional 35 percent said the rules were about right, and 15 percent said they went too far. More than two-thirds of Democrats call regulating financial markets a very important issue.

The poll found widespread support for increasing the federal minimum wage of \$7.25 an hour but offered mixed results about how high it should go. Seven in 10 Americans favor increasing the minimum wage, but only half consider it an important issue. Seven in 10 say increasing wages to keep up with the cost of living is very important.

Among all Americans, slightly over half favor increasing the minimum wage to \$12 an hour, in keeping with a Senate Democratic proposal backed by Clinton, while just a third support increasing it to \$15 an hour, which Sanders has advocated. —AP