

Business

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BAKU: Oil ministers attend a press conference at the end of the 13th meeting of the Joint Ministerial Monitoring Committee (JMMC) of OPEC and non-OPEC countries in Baku yesterday. —AFP

OPEC scraps April meeting, keeps oil cuts

US sanctions on Iran and Venezuela key factors

BAKU: Oil producer group OPEC yesterday scrapped its planned meeting in April and will decide instead whether to extend output cuts in June, once the market has assessed the impact of US sanctions on Iran and the crisis in Venezuela.

A ministerial panel of OPEC and its allies recommended that they cancel the extraordinary meeting scheduled for April 17-18 and hold the next regular talks on June 25-26. The energy minister of OPEC's de facto leader, Saudi Arabia, said the market was looking oversupplied until the end of the year but that April would be too early for any decision on output policy.

"The consensus we heard ... is that April will be premature to make any production decision for the second half," the Saudi minister, Khalid Al-Falih, said.

"As long as the levels of inventories are rising and we are far from normal levels, we will stay the course, guiding the market towards balance," he added.

The United States has been increasing its own oil exports in recent months while imposing sanctions on OPEC members Venezuela and Iran in an effort to

reduce those two countries' shipments to global markets. Washington's policies have introduced a new level of complication for the Organization of the Petroleum Exporting Countries as it struggles to predict global supply and demand.

"We are not under pressure except by the market," Falih told reporters before the Joint Ministerial Monitoring Committee (JMMC) meeting in the Azeri capital, Baku, when asked whether he was under US pressure to raise output. US President Donald Trump has been a vocal critic of OPEC, blaming it for high oil prices.

Trump's sanctions policies have been the key factor behind a price rally, many OPEC members say, having removed more than 2 million barrels per day (bpd) of Iranian and Venezuelan crude from the market.

Brent oil prices hit a 2019 peak above \$68 per barrel last week. Saudi Arabia needs a price of around \$85 per barrel to balance its budget.

OPEC and its allies agreed in December to cut output by 1.2 million bpd - 1.2 percent of global

demand - during the first half of this year in an effort to boost prices. The JMMC, which also includes non-OPEC Russia, monitors the oil market and conformity with supply cuts. Asked if he had been updated on whether Washington would extend its waivers for buyers of Iranian crude, which are due to end in May, Falih said: "Until we see it hurting consumers, until we see the impact on inventory, we are not going to change course."

Inventory levels and oil investments are the two main factors guiding OPEC's action, Falih said, adding that oil industry estimates show that \$11 trillion of investments will be needed over the coming two decades to meet demand growth. Oil inventories in developed countries continue to fluctuate, he said.

"Our goal is to bring global inventory levels down to more normal levels - and even more importantly, to proactively protect against a glut," he said.

"Another important metric is the state of oil investments ... we are not seeing an investment trend that will get us even closer to the required figures."

Russian news agencies quoted Energy Minister Alexander Novak as saying ahead of yesterday's meeting that Moscow was on track to meet its reduction target. He suggested the next OPEC+ meeting should take place in May instead of April, saying time was needed to understand the impact of US sanctions on OPEC members Iran and Venezuela.

"It is hard today to plan your activities for months ahead, because the volatility is high because of the sanctions. We have to take these uncertainties into account in making decisions on the market," Interfax quoted Novak as saying on Sunday.

President Donald Trump pulled the United States out of a nuclear accord with Iran in May last year and reimposed sanctions on Tehran. From April 28, US companies and citizens will be barred from dealing in Venezuelan crude, as Washington intensifies measures against President Nicolas Maduro's government. But Trump has also urged OPEC to take steps to lower prices, saying in a tweet last month: "Oil prices getting too high. OPEC, please relax and take it easy." — Agencies

Gulf Bank partners
with Dell to drive
regional innovations

By Islam Al-Sharaa

KUWAIT: Gulf Bank, one of the leading financial institutions in Kuwait, yesterday announced their strategic agreement with Dell Technologies for a digitally transformative project. Taking significant steps towards sustaining business continuity and scalable data mobility, the bank will leverage industry-leading storage management and data protection solutions by Dell Technologies, to ensure maximum return on their investment.

This collaboration was announced at the Dell Technologies Forum held at Jumeirah Messilah Beach Hotel in Kuwait. Themed 'Make it Real', this one-day free event brought together Dell Technologies' seven technology powerhouses together, to help organizations in Kuwait accelerate national and business transformation initiatives with speed and purpose.

Kuwait's strategic Vision 2035 centers on transforming the country into a world class financial hub, with the private sector leading economic activities, fostering competitiveness, and creating an enabling business environment. With this primary goal at the heart of their transformative efforts, Gulf Bank aims to be at the front-

lines of emerging industry innovation and embrace data-driven banking - which is evolving as a key driver of operational and competitive differentiation.

To this end, Gulf Bank planned to modernize their IT infrastructure with a robust and flexible data management backbone that can effectively store and protect the growing volume of data from multiple sources. Therefore, this project with Dell Technologies is divided into two critical parts - data management and backup.

To realize efficient data management, continuous data availability, seamless mobility and accelerate data center modernization, Gulf Bank will leverage Dell Technologies VPLEX and RecoverPoint solutions. These solutions are purpose-built to ensure operational agility and flexibility to match IT infrastructure to the speed of changing business needs. In addition, VPLEX and RecoverPoint will help Gulf Bank expand their operations across 3 data centers in the future.

To comply with offshore data regulations set by Central Bank of Kuwait (CBK) and manage operational overhead costs for storing long term retention data on tapes, Gulf Bank has opted to deploy Data Domain and Deduplication technology to speed backups and reduce costs. These market-leading solutions by Dell Technologies will also help the bank to save valuable floor space, simplify operations, improve disaster recovery, reduce backup and recovery risks and importantly, enable a tapeless environment.

With this agreement, Gulf Bank alongside Dell Technologies aims to empower their business and propel their transformation journey to offer maximum value to



KUWAIT: Dr Waleed Al-Hasawi (right) and Javier Haddad exchange documents. — Photos by Joseph Shagra



KUWAIT: Javier Haddad with Same Saber (right), Country Manager- Kuwait at Dell Technologies

their customers. Thereby making a concerted effort to support and help Kuwait realize its ambitious vision to become an economic powerhouse.

Dr Waleed Al-Hasawi, General Manager of Information Technology at Gulf Bank said, "To win today's market and ensure business sustainability, it is critical that financial institutions change their direction and elevate their pace of business innovation. Keeping this in mind, we at Gulf Bank wanted to set our foundation for the new digital era. To do this, our first step was to choose a trusted partner who could not only help us imagine our IT environment, but also help us as an organization to ensure effective outcomes. And, we hope

our partnership with Dell Technologies enables us achieve this vision."

Javier Haddad, General Manager - Gulf at Dell Technologies, said, "It is always great to see established organizations look at technology as a platform to uncover the answers of tomorrow. Therefore, we are pleased to be a part of the transformation journey embarked by Gulf Bank. Their vision to modernize and simplify data management to unlock new enterprise capabilities and offer more value to their customer, is something we advocate completely. We look forward to helping Gulf Bank build a benchmark by being fully committed to investing our expertise in this relationship."