

Business

KIPCO announces a net profit of KD 16.5m for first 9 months of 2021

Our core businesses are reporting positive results: Vice Chairman

KUWAIT: KIPCO - the Kuwait Projects Company (Holding) - has announced a net profit of KD 16.5 million (\$54.7 million) for the first nine months of 2021, an increase of 43 per cent compared to KD 11.5 million (\$38.1 million) reported for the same period of 2020, after restatement.

For the third quarter (the three months ended September 30, 2021), the company recorded a net profit of KD 13.3 million (\$44.1 million) compared to KD 2.3 million (\$7.6 million) reported for the same period in 2020. The company also reported a 9 per cent increase in its total operating profit during the first nine months of 2021, at KD 94.2 million (\$312.2 million), from KD 86.3 million (\$286.1 million) reported for the same period in 2020.

KIPCO's consolidated assets for the first nine months of the year stood at KD 10.1 billion (\$33.5 billion), compared to KD 10.4 billion (\$34.5 billion) reported at year-end 2020.

Faisal Al-Ayyar, KIPCO's Vice Chairman (Executive), said: "At our 2021 Shafaiyah Investors' Forum, we said we would remain guarded in our approach as the pandemic continued to unfold. While world economies will continue to be challenged as they return to pre-COVID levels, we believe that the worst is behind us. As the business environment shows some recovery, our core businesses, namely the financial services, continue to report positive numbers this quarter."



Faisal Al-Ayyar

KFH exhibits its digital services on KFHTalk platform

KUWAIT: Kuwait Finance House has exhibited its main digital services and their efficiency, simplicity and compatibility with the customers' needs and requirements on KFHTalk which it launched recently.

In a KFHTalk episode, presented by Assist. Manager - Public Relations, Mohammed Al-Awadhi who hosted the Assist. Manager - E-Banking services, Mohammed Al-Khamees, lights were shed on a variety of distinguished Digital services offered by KFH to its customers round the clock. The services include online personal finance request, online account opening without the need to visit branch and with e-signature through Kuwait mobile ID App, local and international money transfer, investment deposits, opening gold account, buy and sell gold, cheque book request, ATM card instant printing through QR Code, cheque deposit, follow up financing invoices, investment plans open and view, account balances and deposits fol-

low up, instant transfer service to Kuwait Turk using RippleNet, digital wallet service through smart phones and watches providing the latest smart digital payment methods according to the highest security calibers in cooperation with Samsung, Fitbit, Garmin and many other e-banking services.

Services included also XTM machines and KFH Go branches which have reached 10 branches spread in various areas in Kuwait including Kuwait International Airport. KFH Go branches enable customers to benefit from the diversified banking services package including: Instant cheque printing, instant credit cards printing without a pre-request, receipt of gold biscuits (10 g), opening (gold, saving, Al-Rabeh and electronic) accounts, buy and sell gold, cash withdrawal without card through mobile using QR code, civil ID or mobile No., Print IBAN certificate, request Financing deals "Murabaha",



Mohammed Al-Awadhi hosts Mohammed Al-Khamees on KFHTalk

request credit and prepaid cards, update customer information and mobile number, activate banking cards, open deposits and accounts and many other financing and banking services.

The number of e-banking transactions executed by KFH customers through KFHonline or mobile Apps exceeded 113 million transactions during a 9 months period January -

September 2021 with an increase by 26 percent compared to the same period last year.

KFH continues its digital transformation strategy to enhance its leading position in the Islamic financial services industry worldwide and fulfill the requirements of all customer categories namely youth according to the highest calibers of quality, speed, and security.

Gulf Bank launches new AJYAL Tech program for technology enthusiasts

KUWAIT: Gulf Bank is launching its new AJYAL Tech program, a comprehensive coding and digital technology learning journey for Kuwaiti youth who have a passion for technology. The bank is currently accepting applications both from within the bank and beyond, and is encouraging all those who have majored in technology fields or who are passionate about technology to apply.

The new program is part of Gulf Bank's strategy for the year 2025, which aims to provide customers with an unprecedented banking experience based on digital transformation. The launch of the new program marks yet another milestone by the bank to train local youth in the latest technology trends and to ensure future employees remain at the forefront of digitization. Gulf Bank has partnered with CODED, the first coding bootcamp in the Middle East, to launch the new program. The first program of its kind in Kuwait, AJYAL Tech is dedicated solely to local tech savvy youth. Eligible applicants will be embarking on an intensive bootcamp-style program to prepare them for future jobs at Gulf Bank.

"With the launch of our newest AJYAL Tech program, we aim to train and develop a select group of

Kuwaiti youth with all the necessary technological tools and soft skills required to not only advance in their personal careers, but to also achieve Gulf Bank's overarching vision of being the leading Kuwaiti Bank of the Future," said Gulf Bank's General Manager of Human Resources, Salma Al-Hajjaj. "One of the key pillars of Gulf Bank's 2025 strategy is our investment in integrated technological solutions, a transformation which will be tangible to all those who are connected with Gulf Bank. We are proud to be setting the bar high for our employees from the very beginning of the hiring process, and look forward to everything that our employees can accomplish with the necessary training and tools required to achieve the excellence our clients expect from Gulf Bank."

With the banking sector heading toward a new era of digitization, Gulf Bank has demonstrated a proven dynamism in responding swiftly to today's demands. The bank's latest digital-driven strategy aims to transform the bank into a full-fledged digital bank that will exceed the aspirations of future generations.

Gulf Bank has a divested interest in cultivating young Kuwaiti talent for the local banking industry and for the future of Kuwait. Since 2014, Gulf



Salma Al-Hajjaj and Hashem Behbehani

Bank's 'AJYAL' initiative has targeted Kuwaiti professionals as part of an intensive training program designed to develop future Kuwaiti leaders. The program aims to help candidates develop key banking skills, cultivating holistic bankers that have shown growth potential on both a personal and professional level. Earlier this year, Gulf Bank's Talent Development Department graduated their seventh cohort (Ajyal 7), and are initiating their eighth (Ajyal 8).

Gulf Bank's vision is to be the leading Kuwaiti Bank of the Future. The bank is constantly engaging and empowering its employees as part of an inclusive and diversified workplace in recognition of every employ-

ee's role in delivering customer excellence and serving the community at large. With its extensive network of branches and innovative digital services, Gulf Bank is able to give its customers the choice of how and where to conduct their banking transactions, all while ensuring a simple and seamless banking experience.

Gulf Bank is committed to maintaining a robust sustainability program at the community, economic, and environmental levels through sustainability initiatives that are strategically selected to benefit both the country and the bank. The bank also supports Kuwait Vision 2035 "New Kuwait" and works with various relevant parties to achieve it.

CBK announces winners of Al-Najma draws

KUWAIT: Commercial Bank conducted the weekly and monthly draws on Al-Najma Account and Salary Transfer Campaign yesterday. The draws were conducted in the presence of Ministry of Commerce and Industry representative Ahmed Al-Basman.

The results of the draws were as follows:

1- Al-Najma monthly draw - the prize of KD 20,000 went to the winner Faraj Hamad Al-Shammari.

2- Al-Najma weekly draw - the prize of KD 5,000 went to the winner Mohammad Abdullah Ahmed Boukhamsin.

3- Salary account campaign - the prize of up to KD 1,000 went to the winner Ali Hasan Ali Dashti.

The bank stated that the salary campaign is aimed at customers who transfer their salaries of KD 500 or more to the bank, especially Kuwaiti employees and residents working in the government, oil sectors and companies listed with the bank as well as retirees, and take advantage of the benefits of this campaign and get an instant cash gift from KD 400 to KD 500 or an interest-free loan for a period of up to 4 years and up to KD 70,000, Kuwaiti pensioner, along with expatriate customers who transfer their debt to the Bank will receive an instant cash gift of 2 percent from their transferred debt up to KD 1,000. The bank stated that Al-Najma Account prizes are distinguished by the highest cash prize and diversity of prizes throughout the year clarifying that the account offers weekly prize of KD 5,000, monthly prize of KD 20,000 and a semi-annual prize of KD 500,000 in addition to the largest prize - linked bank account payout of KD 1,500,000.

NBK Money Markets Report

Hawkish Fed and solid data elevate dollar

KUWAIT: Following a two-day meeting last Wednesday, the US Federal Reserve announced it would begin scaling back its massive \$120bn bond-buying program this month. The decision entails cutting stimulus by \$15 billion a month while leaving interest rates unchanged. The tapering process will end mid-November, and will likely end by June 2022. However, noteworthy was the change in tone regarding inflation, with the Fed providing admission that higher prices may persist. The Fed still maintained a hawkish tone and that is divergent from the BOE and ECB, which both have adopted dovish tones in their recent meetings.

Growing consumer demand alongside supply chain disruptions have resulted in higher prices in many US sectors for longer than previously anticipated by central bankers. On inflation, Powell insisted the Fed still expects recent price rises to be "transitory", while adding that it was "very difficult to predict the persistence of supply constraints or their effects on inflation". Annual inflation was last seen at a 13-year high in September at 5.4 percent, while unemployment fell to 4.8 percent. In September, the central bank lowered its forecast for US growth this year to 5.9 percent, down from 7 percent in June.

The market has pushed its expectations for a rate hike closer, especially after the official announcement

Rates - 07th November, 2021

Currencies	Previous Week Levels				This Week's Expected Range		3-Month Forward
	Open	Low	High	Close	Minimum	Maximum	
EUR	1.1557	1.1514	1.1617	1.1567	1.1375	1.1660	1.1600
GBP	1.3688	1.3424	1.3698	1.3498	1.3305	1.3595	1.3517
JPY	113.93	113.30	114.44	113.39	111.50	115.50	113.21
CHF	0.9163	0.9088	0.9175	0.9121	0.8925	0.9315	0.9100

of the tapering decision by the Fed. Current hike probabilities stand at 68 percent chance of a hike in June 2022 and 93 percent for July. The market has also priced a 100 percent+ for a second hike by December 2022. Nevertheless, the latest decision from the BOE proved markets wrong and we will discuss that in detail later on in our report.

As for the labor market, the highly anticipated jobs report displayed solid additions to the labor force led by the private payrolls adding 604K jobs while the non-farm payrolls added 531K jobs in October. Both figures were higher than the previous reading and the market's expectation as the US prepares for the holiday season. The unemployment rate ticked down to 4.6 percent from 4.8 percent while the participation rate remained steady at 61.6 percent.

Markets react

The dollar gained momentum this week following the unexpected rate hold in the UK by the BOE and the greenback got further support from the solid jobs report later on Friday. The dollar index opened the week at 94.136 and reached a 3-week high of 94.544 following the release of non-farm payrolls.

US manufacturing and services PMIs

In the US, The Institute for Supply Management (ISM) said on Monday its index of national factory activity slipped to a reading of 60.8 last month from 61.1 in September. A reading above 50 indicates expansion in manufacturing, which accounts for 12 percent of the US economy. US manufacturing activity slowed in October as a measure of new orders dropped to a 16 month low and factories continued to experience delays with deliveries of raw materials.

The services PMI in the US figure came at 66.7 and exceeded the market's expectations for 61.9. Economic activity in the services sector grew in October for the 17th month in a row. The rate of expansion set a record for the fourth time in 2021

BoE meeting

Financial markets had fully priced in a rate hike by the BOE ahead of the policy meeting help last Thursday. However, the shocking decision to keep benchmark interest rate the same took traders by surprise and caused some chaos on the cable levels. There was a lesson here for all analysts to refrain from over-interpreting remarks from new leaders or

policymakers. Additionally, since policy makers have access to markets all it would have taken to calm markets were few words to signal that they got it wrong to avoid such volatility.

Going back to the meeting itself, policymakers in the BOE voted 7-2 to keep benchmark interest rate at 0.1 percent. The MPC members have prioritized immediate concerns over slowing growth more than the inflation spike, which is expected to hit 5 percent next year. Officials have also pushed back against market pricing a series of hikes to 1 percent next year and noted that such an aggressive approach would leave inflation well below their 2 percent target. The cable opened the week at 1.3688 and traded cautiously ahead of the BOE's policy meeting. The currency fell to a 4-week low of 1.3424 after the surprising decision by BOE's Governor Andrew Bailey to maintain interest rates. On weekly basis, the sterling lost 1.92 percent of its value as the strong jobs report fueled the dollar's bull-run.

RBA meeting

The Reserve Bank of Australia met last week and the central bank scrapped its bond yield target and said that the conditions for a rate hike will take some time to materialize. The RBA also signaled that it is open to hiking earlier than its previous guidance of 2024. The Aussie edged lower following the meeting and fell below the 0.75 level to a low of 0.7486. The Aussie's recent positive performance is attributed to higher oil prices. However, the dollar increased across the board on the back of solid data and fundamentals, which pushed the Aussie to a 3-week low of 0.7360.

Kuwait

Kuwaiti dinar
USD/KWD closed last week at 0.30165