

Business

# KFH opens new banking lounge for Ruwwad, Tamayyouz customers

Al-Nahedh: Improving our branch network, keeping abreast of latest fintech



Bushehri, Al-Nahedh and KFH officials during the inauguration



The banking lounge in Mubarak Al-Kabeer

KUWAIT: Kuwait Finance House (KFH) opened banking lounge for Ruwwad, Tamayyouz customers in Mubarak Al-Kabeer Governorate. This comes as part of KFH vision in offering superior customer service as per highest standards of quality, while strengthening ties and communication with its customers.

The Governor of Mubarak Al-Kabir Mahmoud Bushehri opened the banking lounge in the presence of KFH executives led by the Group CEO Mazin Saad Al-

Nahedh. Bushehri praised the significant role of "KFH" in supporting and developing the national economy along with the distinctive banking and financial services offered to customers.

Meanwhile, Al-Nahedh said that opening banking lounge in Mubarak Al-Kabeer branch to serve Ruwwad and Tamayyouz customers is a new milestone in KFH customer service strategy. KFH is continuously keen on providing the best innovative services and products to its

customers as per highest technological development.

Al-Nahedh demonstrated to the Governor the queuing system: Skipino service, the first of its kind in the Kuwaiti banking sector for online appointments booking in the branches via smart phones.

He added that KFH uniquely offers branches dedicated for ladies as a privilege advantage, indicating the bank applies the best practices in banking as per highest international standards, in addition to the pro-

fessionalism of innovation and customer services across huge network of branches spanning Kuwait. He underlined the full compliance of KFH with Sharia principles and the regulations of regulatory authorities. He concluded: "KFH will continue its efforts in opening similar banking lounges as it targets to open 8 banking lounges by end of 2019. This contributes in delivering superior customer experience as per highest standards of quality."

## Wall Street Week Ahead

### Data will show damage of tariffs, strong dollar on US exporters

NEW YORK: It's no longer a probability, it's a reality: the escalating US-China trade war and the strengthening dollar appear to be inflicting measurable damage on US goods makers that rely on global markets.

Market participants will get a picture of the extent to which trade tensions and currency have hurt US manufacturers when the Institute for Supply Management (ISM) releases its purchasing managers index (PMI) for September on Tuesday. Its August report showed the manufacturing sector, which accounts for about 12 percent of the US economy, contracting in for the first time in 3-1/2 years, and more worryingly, its export component hit a more than 10-year low. "The exporters are at least a half a step or full step closer to the predicted recession," said Robert Pavlik, chief investment strategist, senior portfolio manager at SlateStone Wealth LLC in New York.

The August report's New Export Orders plunged to 43.3, its lowest level since April 2009, when the United States was in the throes of the great recession. A PMI reading below 50 indicates contraction. In the August PMI survey, manufacturers told ISM "business is starting to show signs of a broad slowdown," and that "tariffs continue to be a strain on the supply chain and the economy overall." China already has implemented tariffs on about \$110 billion in US goods, in return for President Donald Trump's tariffs on Chinese imports. The first tranche took effect at the beginning of this month and the second is due to follow on Dec. 15. US goods would already be more expensive on global markets due to a stronger dollar, which has been boosted by simmering geopolitical unease and negative interest rates in Europe.

Market-rattling tit-for-tat tariff hikes from

Washington and Beijing have created a perfect storm. "Geopolitical tensions do two things," said Peter Tuz, president of Chase Investment Counsel in Charlottesville, Virginia. "They compel big companies to sit back and not spend as much as they would." "And as tensions increase and the dollar rises, (US) products become more expensive and you see demand fall off." The dollar index, which measures the greenback against a basket of major world currencies, hit a 29-month high on Sept. 3, the very day ISM released its dismal PMI report. Indeed, in the first quarter of 2018, during which Trump fired the opening salvo in the trade war, the negative currency impact on North American corporate earnings was an estimated \$40 million, according to cloud treasury services firm Kyriba.

One year later, that number ballooned to \$23.4 billion. The arrival of third-quarter earnings season next month will provide a clearer view of the damage the trade war and strong dollar have wrought on companies' bottom lines. Over the last year, third-quarter analyst earnings estimates for a basket of 15 top US exporters by dollar value have dropped by an average of 17.3 percent, according to Refinitiv data, and by 12.3 percent in the last three months. Fourth-quarter estimates for the same companies have been revised down 15.6 percent on average since September 2018 by 10.3 percent since June. Third-quarter earnings estimates for Apple Inc are 7.4 percent lower than they were a year ago, and down 16.7 percent for the essential October-December holiday quarter. Non-US revenue contributes 63.1 percent of the iPhone maker's total. General Electric Co gets about 61.5 percent of its revenue from abroad. Analysts currently see the conglomerate's third-quarter earnings coming in 44.6 percent below the level seen a year ago, and its fourth-quarter EPS estimates are now 43.5 percent lower. Chipmakers, particularly vulnerable to trade concerns and technology exchange issues, have seen their earnings estimates slashed most.

Micron Technology Inc relies on non-US business for 88.1 percent of its revenue. Third quarter earnings estimates for the company have plunged 83.4 percent over the last year and 42 percent from last quarter. Overseas customers contribute 97.4 percent of



NEW YORK: A screen shows the numbers after closing bell at the New York Stock Exchange (NYSE) on Friday at Wall Street in New York City. — AFP

Qualcomm Inc's revenue. Analysts have slashed their third quarter earnings estimates for the company by 47.7 percent over the last year. Nike Inc, which derives 62.5 percent of its revenues from overseas, reported its first-quarter earnings for fiscal year 2020 on Tuesday.

The sportswear company's revenue and profit beat analyst estimates, but it said currency and trade concerns remained headwinds and it expects the impact of tariffs will be "most pronounced" in the current quarter. "The manufacturing side of our economy is in the early stages of a recession and we should be concerned about the possibility of a full recession spreading here and around the world," said Tim Ghiskey, chief investment strategist at Inverness Counsel in New York. "If (the ISM PMI) export number remains weak that will point to deepening overseas weakness," Ghiskey added. "But a strong number would surprise me given what's happening around the world." — Reuters

### Households helped limit hit to UK economy as it shrank in Q2

LONDON: Households helped to limit the damage to Britain's economy as it shrank in the second quarter ahead of Brexit, according to new data that also showed their financial health was less fragile than previously thought. The Office for National Statistics (ONS) confirmed the economy contracted at a quarterly rate of 0.2 percent in the second quarter, a hangover from a stockpiling boom before the original Brexit deadline that was postponed until Oct. 31.

While British industry and investment wilted in the escalating Brexit crisis, household spending increased at a quarterly rate of 0.4 percent, marking the fastest growth in a year. The new ONS data also showed Britain's households have been net lenders to the economy rather than net borrowers ever since the second quarter of 2017. Previous data had shown households were net borrowers non-stop since late 2016.

The status change reflected people donating less to charity than previously thought, meaning households held more assets, as well as landlords earning more money, ONS said. "A healthier picture of households' balance sheets gives us some confidence that household spending will continue to underpin growth," Andrew Wishart, economist at consultancy Capital Economics said. Changes to the measurement of student loans also contributed to change in the status of households to net lenders, although the figures still showed a "significant" deterioration since the 2016 Brexit vote. Lending to British consumers slowed to its weakest rate in more than five years in August, a sign household demand may be softening in the run-up to Britain's departure from the European Union, Bank of England (BoE) figures showed yesterday. Sterling and British government bonds showed little reaction to yesterday's data.

Monday's ONS figures showed Britain's current account deficit in the second quarter narrowed by less than expected, to 25.2 billion pounds (\$31.02 billion) from 33.1 billion pounds. At 4.6 percent of gross domestic product, the deficit was larger than any economist had expected in a Reuters poll which had pointed to a deficit of 19.5 billion pounds. "The fact that the current account deficit was still elevated ... in the second quarter is a concern—as an elevated shortfall is a potential source of vulnerability for the UK economy," economist Howard Archer from the EY ITEM Club consultancy said. — Reuters

## EXCHANGE RATES

### AL-MUZAINI EXCHANGE CO.

#### EUROPEAN & AMERICAN COUNTRIES

US Dollar Transfer	304.900
Euro	335.240
Sterling Pound	376.550
Canadian dollar	231.510
Turkish lira	55.240
Swiss Franc	309.540
US Dollar Buying	297.550

#### ASIAN COUNTRIES

Japanese Yen	2.826
Indian Rupees	4.328
Pakistani Rupees	1.963
Sri Lankan Rupees	1.671
Nepali Rupees	2.693
Singapore Dollar	221.990
Hongkong Dollar	38.886
Bangladesh Taka	3.596
Philippine Peso	5.886
Thai Baht	10.008
Malaysian ringgit	77.980

#### GCC COUNTRIES

Saudi Riyal	81.361
Qatari Riyal	83.798
Omani Riyal	792.463
Bahraini Dinar	810.150
UAE Dirham	83.068

#### ARAB COUNTRIES

Egyptian Pound - Cash	21.100
Egyptian Pound - Transfer	18.723

Yemen Riyal/for 1000	1.225
Tunisian Dinar	110.870
Jordanian Dinar	430.500
Lebanese Lira/for 1000	0.203
Syrian Lira	0.000
Morocco Dirham	32.367

### DOLLARCO EXCHANGE CO. LTD

Rate for Transfr	Selling Rate
US Dollar	304.190
Canadian Dollar	230.813
Sterling Pound	373.865
Euro	337.075
Swiss Frank	301.815
Bahrain Dinar	808.955
UAE Dirhams	83.220
Qatari Riyals	84.460
Saudi Riyals	82.015
Jordanian Dinar	430.328
Egyptian Pound	18.398
Sri Lankan Rupees	1.683
Indian Rupees	4.233
Pakistani Rupees	1.944
Bangladesh Taka	3.602
Philippines Peso	5.861
Cyprus pound	18.097
Japanese Yen	3.850
Syrian Pound	1.590
Nepalese Rupees	2.648
Malaysian Ringgit	73.505
Chinese Yuan Renminbi	43.110

Thai Bhat	10.935
Turkish Lira	54.175
Singapore dollars	218.554

### BAHRAIN EXCHANGE COMPANY WLL

CURRENCY	BUY	SELL
<b>EUROPE</b>		
British Pound	0.367575	0.381475
Czech Korune	0.004894	0.014194
Danish Krone	0.040610	0.045610
Euro	0.325734	0.339434
Georgian Lari	0.121680	0.121680
Hungarian	0.001149	0.001339
Norwegian Krone	0.029547	0.034747
Romanian Leu	0.065366	0.082216
Russian ruble	0.004586	0.004586
Slovakia	0.009123	0.019123
Swedish Krona	0.027102	0.032102
Swiss Franc	0.300932	0.311932
<b>AUSTRALASIA</b>		
Australian Dollar	0.197609	0.209609
New Zealand Dollar	0.184764	0.194264
<b>AMERICA</b>		
Canadian Dollar	0.224871	0.233871
US Dollars	0.300800	0.306100
US Dollars Mint	0.301300	0.306100
<b>ASIA</b>		
Bangladesh Taka	0.002937	0.003738

Chinese Yuan	0.041345	0.044845
Hong Kong Dollar	0.037000	0.039750
Indian Rupee	0.003651	0.004423
Indonesian Rupiah	0.000017	0.000023
Japanese Yen	0.002741	0.002921
Korean Won	0.000244	0.000259
Malaysian Ringgit	0.069213	0.075213
Nepalese Rupee	0.002652	0.002992
Pakistan Rupee	0.001343	0.002113
Philippine Peso	0.005732	0.006032
Singapore Dollar	0.215403	0.225403
Sri Lankan Rupee	0.001322	0.001902
Taiwan	0.009713	0.009893
Thai Baht	0.009623	0.010189
Vietnamese Dong	0.000013	0.000013

#### ARAB

Bahraini Dinar	0.802598	0.810664
Egyptian Pound	0.018669	0.022029
Iranian Riyal	0.000084	0.000086
Iraqi Dinar	0.000215	0.000275
Jordanian Dinar	0.425139	0.434139
Kuwaiti Dinar	1.000000	1.000000
Lebanese Pound	0.000157	0.000267
Moroccan Dirhams	0.021613	0.045613
Omani Riyal	0.786815	0.794723
Qatar Riyal	0.083092	0.083928
Saudi Riyal	0.080220	0.081520
Syrian Pound	0.001293	0.001513
Tunisian Dinar	0.102302	0.110302
Turkish Lira	0.046841	0.056686
UAE Dirhams	0.082379	0.083207
Yemeni Riyal	0.000991	0.001071