

Business

UK rate cut 'plausible' if Brexit uncertainty persists: Saunders

Brexit, slower world growth building case for rate cut

BARNESLEY, England: The Bank of England may need to cut interest rates in the likely scenario that high levels of uncertainty over Brexit persist, policymaker Michael Saunders said on Friday in the first clear signal that the BoE is considering a cut.

Last week, without directly raising the prospect of cutting interest rates, the Bank of England said Brexit and slower world growth were increasingly causing Britain's economy to perform below potential. Saunders - who was one of the the first BoE policymakers to vote for higher interest rates in 2017 and 2018 - said it was now his view that the unpredictable path of Brexit would effectively act as a "slow puncture" for the economy.

"Growth has slowed to a mere crawl," he told local businesses in Barnsley, northern England. "I think it is quite plausible that the next move in Bank Rate would be down rather than up."

After the comments, sterling fell by as much as half a cent against the dollar to a three-week low, and short-dated government bond yields dropped 4-5 basis points as investors priced in the increased chance of lower borrowing costs.

Prime Minister Boris Johnson has pledged to take Britain out of the European Union by Oct. 31, without any transition agreement if necessary, but is in a standoff with parliament which has voted to block a no-deal departure next month. Even if Britain temporarily avoids a no-deal Brexit, uncertainty was likely to remain high, either due to the risk of a no-deal Brexit in 2020 or due to a lack of clarity about longer-term trading relationships with the EU, Saunders said.

"In this case, it might well be appropriate to maintain a highly accommodative monetary policy stance for an extended period and perhaps to loosen policy at some stage, especially if global growth remains disappointing," he said. British economic growth

continuing at its current level of 0.1 percent-0.2 percent would be sufficient to justify lower rates, due to the risk of slack opening up in the economy and pushing inflation further below its 2 percent target, Saunders said.

The economy shrank by 0.2 percent in the second quarter of 2019 and last week the BoE trimmed its third-quarter growth forecast to 0.2 percent from 0.3 percent, while inflation dropped more sharply than expected to 1.7 percent in August. David Cheetham, chief market analyst at brokers XTB, said the BoE looked increasingly likely to follow the US Federal Reserve and European Central Bank and cut rates. "The economy is still barely keeping its head above water. Throw in the almost universally acknowledged continued levels of heightened uncertainty on the political front ... and it is actually pretty shocking that a comment that a rate cut is 'quite plausible' has caused such a response."

No wait and see

Simply waiting to see what happened with Brexit risked leading to inappropriate monetary policy, and the cost of reversing a rate cut if the outlook brightened would be low, Saunders added at the event hosted by the Barnsley and Rotherham Chamber of Commerce and Institute of Chartered Accountants.

"In general, I would prefer to be nimble... accepting that it may be necessary to change course if the outlook changes significantly," he said. Saunders still agreed with recent BoE guidance that a limited and gradual increase in interest rates would be needed over the medium term, if Brexit uncertainty reduced significantly and global growth perked up a bit.

In the event of a no-deal Brexit, Saunders repeated the BoE position that all policy options would be open. Earlier this month, BoE Governor Mark



LONDON: In this file photo, estate and rental agents' boards are pictured on a residential street in Hackney, east London. Prices down, paralyzed transactions and depressed agents: Brexit has had a chilling effect on British real estate, particularly in London. —AFP

Carney estimated in a worst-case, chaotic scenario that a no-deal Brexit could reduce the size of the economy by 5.5 percent. The Paris-based OECD has predicted a 2 percent hit in the case of a more managed no-deal Brexit.

Saunders was clear that a no-deal Brexit - advo-

cated by some Brexit supporters as a way to resolve the uncertainty facing businesses - was not a good solution. This would probably immediately leave some firms unprofitable. Others might face longer-term questions about their viability, or whether they would be better off relocating. —Reuters

AUB reveals winner of KD 250,000 prize in Al-Hassad draw

KUWAIT: Ahli United Bank announced on the 26th of September 2019 the lucky winner of its quarterly grand of Al-Hassad Islamic program, the very first draw account in Islamic banking in Kuwait that has reshaped the lives of thousands lucky winners. Al-Hassad has have over 850 prizes, over a 12 month period. It was a special occasion for Tahani Mubarak Alazmi who won the KD 250,000 grand prize, being the biggest surprise in her life.

The draw was live on FM 88.8 Kuwait Pulse. The event also saw many surprises, shows, entertainment activities and competitions for attendees and participants.

On the occasion Ahli United Bank congratulate its winning customer Tahani Mubarak Alazmi and commented that there are many chances to win waiting for our customers. Draws are held every Wednesday at AUB Kuwait or AUB Bahrain depending on the draw plan. On religious and national holidays, the draw is postponed to the next business day. Al-Hassad Islamic Account presents also 4 quarterly mega prizes of KD 250,000. One powerful new aspect of the Al-Hassad Islamic Account is the prize draws on the holy occasion of both Eid Al-Fitr and Eid Al-Adha, when the winning customers will receive the eid prizes of KD 100,000 each. May the Eid always bring prosperity and blessings to the Islamic nation.

Al-Hassad Islamic Account presents 21 weekly prizes comprised a grand prize of KD 10,000, 20 prizes of KD 1,000 each in addition the monthly draw to win a prize of KD 100,000. In addition to the highly attractive package of the prizes, there is the annual expected profits on, which makes the Al Hassad account a useful tool for family and other savings, both for the short term and for the longer term - a fact which well appreciated by a large multitude of new and old customers.

Burgan Bank launches new Qatar Airways co-branded Mastercard prepaid card

KUWAIT: Bringing all customers and non-customers exclusive shopping experiences and travel benefits, Burgan Bank has unveiled the Qatar Airways co-branded Mastercard Prepaid card in Kuwait. Continuing its long-standing collaboration with one of the leading global airlines, the new card accommodates all with a wide range of special discounts, and notable Qmiles on all purchases.

In response to current trends and changing lifestyle needs, Burgan Bank launched the highest prepaid card Qmiles rewards program in Kuwait, which is also ranked as the highest in the region for an airline co-branded card. The Qatar Airways Co-branded Prepaid card is offered on the Mastercard network platform allowing customers access to combined privileges offered by Burgan Bank, Mastercard and Qatar Airways.

The card allows customers to convert their every-

day purchases, into Qmiles which can be redeemed for selection of services such as complimentary flights, upgrades and excess baggage awards on Qatar Airways as well as all the partner airlines in oneworld alliance. Customers can be assured of the ease in receiving their brand-new card as the issuance is swift and bears no restrictions. The card offers unrivalled 3 Qmiles for every KD 1 spent locally, and 5 Qmiles for every KD 1 spent internationally.

Nasser Al-Qaisi - Chief Retail Banking officer at Burgan Bank said, "We are pleased to announce the release of a new variant of Qatar Airways cards, we are a bank driven by people whose convenience and comfort lies at the heart of all our offerings. With fast growing lifestyle preferences witnessed, it is essential to stay up-to-date, through the aid of beneficial partnerships with entities that share the same values."

Qatar Airways Vice President of CRM and Loyalty, Jake Miller, said: "We are delighted to expand our partnership with Burgan Bank, and introduce our new Prepaid payment card. Our ambition is to provide all of our members in Kuwait with a hassle-free payment experience and an everyday way to earn Qmiles, regardless of who they bank with."

Somu Roy, General Manager, Qatar, Kuwait and Iraq, Mastercard, added, "As a global and regional leader in the airline cobrand card space, Mastercard is delighted to collaborate with Burgan Bank and Qatar



From left to right: Fadi Hijazin - Country Manager at Qatar Airways, Naser Mohammad Al-Qaisi - Chief Retail Banking Officer at Burgan Bank, Ritesh Shukla - Director Account Management

Airways to bring unmatched benefits to cardholders through the market's most rewarding prepaid card miles program. Powered by Mastercard technology, the co-branded card will allow travelers to make simple and secure transactions across the globe and reward them with a range of travel benefits through the Qmiles program."

Warba Bank sponsors SIBOS 2019 in UK

KUWAIT: Warba Bank announced its participation and sponsorship of SIBOS 2019: The financial sector specialized conference organized by The Society for Worldwide Interbank Financial Telecommunication (SWIFT); the international provider of secure financial telecommunications services.

SIBOS 2019 took place in London from 23-26 September. It brought

together more than 8,000 business leaders, financial strategists, decision makers and financial services providers who have a strong influence in the international banking sector trends in addition to multinational corporations and technology partners. The conference was as a perfect platform to discuss business strategies, and cooperation in shaping the future of the financial and investment sector to secure economic growth in various fields.

This year, SIBOS explored the impact of new technologies on the banking institutions' infrastructures while elaborating on the importance of investing in them. As well, it discussed the value propositions and business models and identify the culture, skills and working practices that organizations needed to maximize the potential of both human and machine

capabilities by enhancing digital ecosystems, leveraging data and keeping ahead of cybersecurity threats.

Warba Bank participated in SIBOS 2019 through its own corner and delegation. For on this occasion, Ayman Salem Al-Mutairi - Executive Manager Corporate Communication, commented on the bank's presence in SIBOS saying: "It was an ideal opportunity to meet leaders of the financial community worldwide to exchange ideas and experiences, discuss method of cooperation in several areas including digital technology and payments, securities, cash management, and trade.

He further elaborated that Warba Bank's presence at this global exhibition confirms its interest and endeavor to acquire the necessary knowledge that supports the Bank's approach in providing

digital banking services and financial products to the highest international standards, through new and innovative banking channels that allow our customers to process their banking transactions anytime, anywhere with ease and flexibility.

Warba Bank has always been at the forefront in adopting modern technologies and harnessing them to serve customers in the form of creative banking solutions and digital services that have contributed in bringing overwhelming change in the individuals' banking experience. This was also the prime motive behind launching "Al-Wateen" - Warba's Digital Factory- which formed the starting point of a revolutionary era in the digitization of the banking services by creating new and exclusive products that go in line with the Bank's development strategy.

EXCHANGE RATES

Al-Muzaini Exchange Co.	
EUROPEAN & AMERICAN COUNTRIES	
US Dollar Transfer	304.550
Euro	336.530
Sterling Pound	381.140
Canadian dollar	230.550
Turkish lira	54.090
Swiss Franc	310.130
US Dollar Buying	297.200
ASIAN COUNTRIES	
Japanese Yen	2.837
Indian Rupees	4.285
Pakistani Rupees	1.961
Sri Lankan Rupees	1.675
Nepali Rupees	2.680
Singapore Dollar	221.980
Hongkong Dollar	38.853
Bangladesh Taka	3.593
Philippine Peso	5.828
Thai Baht	9.980
Malaysian ringgit	77.890
GCC COUNTRIES	
Saudi Riyal	81.268
Qatari Riyal	83.702
Omani Riyal	791.553
Bahraini Dinar	809.220
UAE Dirham	82.972
ARAB COUNTRIES	
Egyptian Pound - Cash	21.500

Dollarco Exchange Co. Ltd	
Rate for Transfer	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

BAHRAIN EXCHANGE COMPANY WLL			
CURRENCY	BUY	SELL	
Europe			
British Pound	0.367938	0.381838	
Czech Korune	0.004898	0.014198	
Danish Krone	0.040632	0.045632	
Euro	0.326391	0.340091	
Georgian Lari	0.121620	0.121620	
Hungarian 0.001149	0.001339	0.002954	
Norwegian Krone	0.065326	0.082176	
Romanian Leu	0.004583	0.004583	
Russian Ruble	0.009116	0.019116	
Slovakia	0.027186	0.032186	
Swedish Krona	0.301432	0.312432	
Swiss Franc			
Australasia			
Australian Dollar	0.198298	0.210298	
New Zealand Dollar	0.185430	0.194930	
America			
Canadian Dollar	0.224905	0.233905	
US Dollars	0.300650	0.305950	
US Dollars Mint	0.301150		
Asia			
Bangladesh Taka	0.002935	0.003736	

Chinese Yuan	0.041324	0.044824
Hong Kong Dollar	0.036981	0.039731
Indian Rupee	0.003649	0.004421
Indonesian Rupiah	0.000017	0.000023
Japanese Yen	0.002745	0.002925
Korean Won	0.000244	0.000259
Malaysian Ringgit	0.069177	0.075177
Nepalese Rupee	0.002651	0.002991
Pakistan Rupee	0.001342	0.002112
Philippine Peso	0.005729	0.006029
Singapore Dollar	0.215438	0.225438
Sri Lankan Rupee	0.001321	0.001901
Taiwan	0.009708	0.009888
Thai Baht	0.009618	0.010168
Vietnamese Dong	0.000013	0.000013
Arab		
Bahraini Dinar	0.802202	0.810264
Egyptian Pound	0.018659	0.022019
Iranian Riyal	0.000084	0.000086
Iraqi Dinar	0.000215	0.000275
Jordanian Dinar	0.424927	0.43927
Kuwaiti Dinar	1.000000	1.000000
Lebanese Pound	0.000157	0.000257
Moroccan Dirhams	0.021597	0.045597
Omani Riyal	0.786427	0.794331
Qatar Riyal	0.083051	0.083885
Saudi Riyal	0.080180	0.081480
Syrian Pound	0.001292	0.001512
Tunisian Dinar	0.102249	0.110249
Turkish Lira	0.046814	0.056659
UAE Dirhams	0.082339	0.083167
Yemeni Riyal	0.000991	0.001071