

KAMCO World Economic Outlook

IMF: Real GDP forecast revisions for GCC states remain mixed for 2021

Global economic growth forecast trimmed on rising risks

KUWAIT: The latest update to the IMF's World Economic Outlook showed scars of the COVID-19 pandemic affecting the pace of growth in 2021, with the effects of the Delta variant mainly affecting output in low income countries. The revisions also reflected the impact of access of vaccine and the pace of vaccination with countries with higher rates of vaccination expected to grow faster than countries that are still struggling to vaccinate the bulk of the population.

GDP forecasts for the MENA region was unchanged for 2021 at 4.1 percent and was raised for 2022 by 40 bps to a constant growth rate of 4.1 percent. The unchanged forecast for 2021 reflected better growth in some commodity exporters offset by the impact of pandemic. Growth prospects for some oil exporters in the region were lowered for 2021, which resulted in a 10 bps downward revision for the oil exporting group to a growth of 4.5 percent. For the oil importers, growth was raised by 120 bps to a growth of 3.6 percent in 2021.

Real GDP forecast revisions for the GCC countries were remained mixed for 2021 and largely positive for 2022. Growth rates for Oman, Saudi Arabia and Kuwait witnessed upward revisions of 70 bps, 40 bps and 20 bps, respectively, and was slashed by 90 bps for Bahrain and UAE and by 50 bps for Qatar. Bahrain is expected to see the fastest growth in the region in 2021 at 3.3 percent closely followed by UAE at 3.1 percent and Saudi Arabia and Qatar at 2.4 percent each. For 2022, Oman's GDP growth underwent a steep downward revision of 450 bps to 2.9 percent while average growth for the overall region is expected to be around 3.7 percent.

Moreover, the lasting impact of the pandemic also led to supply chain disruption that is reflected in the rising inflation rates and commodity prices. The IMF highlighted that although the aggregate World GDP forecast underwent a marginal revision, the changes

in growth forecasts for some countries were significant. World GDP is now expected to clock a growth of 5.9 percent in 2021 vs. previous expectation of 6.0 percent growth, whereas the growth in 2022 was unchanged at 4.9 percent. Revisions by the IMF largely showed downgrades for 2021 mainly for Advanced Economies and upward revisions for 2022.

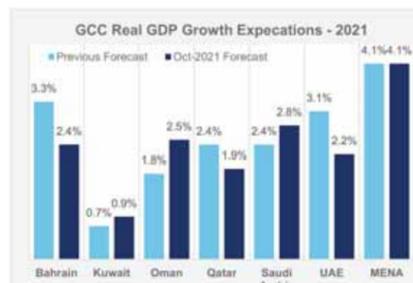
Advanced economies

According to the IMF, only Advanced Economies are expected to reach or exceed pre-pandemic levels in 2022, although supply disruptions would affect near-term growth. Growth in the rest of the regions are expected to remain below 2019 levels even next year. Low-income developing economies are expected to see the biggest output gap of 6.7 percent next year vs. pre-pandemic levels followed by Emerging markets and developing economies (excluding China) with a gap of 5.5 percent. Supply disruptions remains one of the key policy concerns that is led by a combination of:

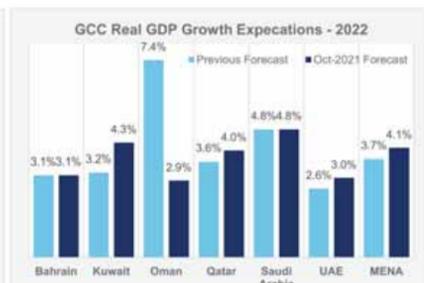
1) lower output due to the pandemic and weather related disruptions and 2) higher pent-up demand post pandemic. This has resulted in shortages of key components and rising food prices have both led to inflation concerns.

The IMF believes that the vaccinations should be the foremost policy priority for governments globally to safeguard against new variants of the virus. This would require adequate and uninterrupted supply of vaccines as well as further investments to fund research, testing, therapeutics and genomic surveillance. In terms of monetary policy, the IMF said that central banks should wait for more clarity on underlying price dynamics before increasing rates.

The downward revision to growth forecast for 2021 mainly reflected a curtailed growth in Advanced Economies that was partially offset by positive revisions in commodity-exporting



Source: IMF WEO Oct-2021



Emerging Market and Developing Economies. Growth in Advanced economies was slashed by 40 bps for 2021 and increased by 10 bps for 2022. On the other hand, growth for Emerging Market and Developing Economies was raised by 10 bps for 2021 and lowered 10 bps for 2022. GDP growth for the US was slashed by 100 bps, the biggest downward revision in Advanced Economies, to 6.0 percent in 2021, whereas 2022 growth was raised by 30 bps to 5.2 percent.

Inflation to remain a concern

Consumer prices are expected to remain elevated in the near-term, at least till the end of 2021 and are expected to decline to pre-pandemic levels of around 2 percent by mid-2022, according to the IMF. Moreover, the release of excess savings that was accumulated during the pandemic can also result in higher private spending, that would further support inflation. The higher inflation numbers are contributed by both core inflation and headline inflation constituents, but food and energy prices are main reasons for the increase.

Burgan Bank receives three ISO certificates

KUWAIT: Burgan Bank announced that it has received three certificates from the International Organization for Standardization (ISO) in recognition of its consistent efforts to deliver exceptional performance across all departments. The Bank was granted the Quality Management System certificate- ISO 9001:2015, the Information Security Management System certificate-ISO 27001:2013, and the Information Technology Service Management System Certificate- ISO 20000:2018.

The three certifications testify of Burgan's consistent compliance with the highest international standards and firm commitment to improve the quality of its banking services and enhance its overall customers' experience. The Quality Management System certificate and the Information Security Management System certificate attest to the Bank's efforts in applying quality management standards to all its operations as well as the highest IT service standards to guarantee quality, continuity, and security of all the banking processes and services. The Information Technology Service Management System Certificate reflects the Bank's team dedication to protecting customer data by incorporating the latest and most efficient cybersecurity technology to prevent any information breach.

Raed Abdullah Al-Haqhaq, Deputy Group Chief



Executive Officer and Chief Executive Officer - Kuwait commented on this accomplishment saying, "Receiving the three ISO certificates after being vetted under the rigid quality standards outlined by ISO is an achievement, we are proud of. It demonstrates the Bank's efficiency in terms of professional commitment and operations excellence."

"All our teams are keen on implementing the best international strategies to deliver our promise of excellence in banking experience to our customers through higher quality services and a more secure digital banking environment. We have successfully implemented these strategies and have gained therefore the international recognition by ISO. These achievements will motivate and drive us to maintain excellence in all areas of our operations to further strengthen our leading position in the banking sector and to speed up our digital transformation. I would like to restate my deep gratitude to all Burgan Bank employees, who are the Bank's true

wealth and the main supporter of success and excellence at all levels," concluded Al-Haqhaq.

Hussain Ali, Head of Organization and Methods at Burgan Bank Kuwait, also commented on this new achievement, saying, "Burgan Bank is committed to keep improving its quality management systems across all aspects of banking services and products. Receiving the integrated ISO standards certificates in the fields of Quality Management Systems, Information Technology Service Management and Information Security Management System is evidence of the Bank's strategic commitment towards meeting its customers' requirements and guaranteeing their satisfaction." Burgan's adoption of the highest international quality and security banking standards reflects its sound engagement to pursue its strategic digital transformation while ensuring sustainability across all financial and banking operations to consolidate and maintain its steady growth and leading position in the banking sector.

stc brings full 5G experience with 5G standalone, Sub-3Ghz services in Kuwait

KUWAIT: 2019 ushered in a new era for Kuwait with the launch of 5G by giving experience of ultra-fast speed, big capacity per site (wireless tower), and low latency competing with fixed network. Kuwait is considered one of the global leading countries for the data consumption in the 4G era due to high penetration of mobile broadband and smartphones, HD video streaming, social media exploration, e-commerce services, online gaming, and other mobile applications which become part of consumers' daily routine.

Subscriber behaviors have introduced new challenges related to high growth in data demand, seamless experience everywhere making 4G network congested and difficult to match the market demand growth. stc has become one of the global leaders by launching nationwide 5G network in Kuwait to provide the state of art services to its subscribers. Through the 5G network, stc plans to pave the road to launch new services and products to its consumers, and explore new use cases to wide-range of enterprise customers. stc's well-timed 5G service launch helped it to serve its subscriber consumption of high data growth due to sudden lockdown of offices, schools and commercial areas during the COVID-19 pandemic. stc's 5G network has been supporting the seamless transformation of work and study from home by providing 5G packages at 4G rates, and also providing new services like 5G Dedicated Line, 5G LIVEBUS, and cloud based services using the key 5G technology as a platform. stc being the digital leader has committed to provide innovative services and

platforms to customers, enabling the digital transformation in Kuwait, announced the successful commercialization step of implementing end-to-end 5G Stand Alone network (5G SA) as the 2nd most disruptive development of the comprehensive 3GPP 5G compliant standard network and successfully accomplished the widest network coverage using 5G Sub-3GHz which is the 1st of its kind in the Middle East region.

The new 5G features provide full 5G experience by enhancing the 5G coverage to higher floors as compare to 4G network, and to deeper indoor 5G coverage. The features provide enhanced experience to delay sensitive applications like gaming, CCTV, and enable to launch new emerging services, such as VR, AR, connected drones, and so on. The 5G SA enabled with Sub-3Ghz technology allows 5G signaling to pass through buildings to provide better 5G coverage both indoors and outdoors, and lets consumers enjoy better constant 5G broadband experience and deeper 5G indoor coverage. 5G Sub-3Ghz has the potential to change consumer expectations making internet download and upload speed less of a problem. The 5G Sub-3Ghz technology is already supported and consumers can get its full benefits by new smartphones such as the latest iPhone or Galaxy.

5G SA technology enables different verticals to get advantages of stc's 5G network by creating end-to-end isolated logical networks that share resources in a secured, isolated and efficient way - so called Network Slicing. The technology allows consumer to encounter emerging applications such as cloud games or AR/VR applications with high-end speed and latency experience tailored to their service needs. 5G SA adds further enhancements to the current coverage capabilities. stc has already build by allowing consumers to enjoy continuous 5G high-speed and low-latency experience even in challenging indoor environment scenarios, such as top floors of high-rise buildings.

Both 5G Sub-3Ghz and Stand-Alone Services realize improved coverage experience to delight

consumer broadband hungry application requirements, such as online gaming, social media and residential mobile broadband services. Compared to the legacy 4G technologies, 5G brings massive latency improvements to the gaming experience enables quick response interactions. Nowadays, stationary or on-the-go online gamers can feel performance different whether they are playing online or lively streaming their gaming, thanks to 5G low latency and enhanced uplink data speeds. Mobile Consumers enjoy wider 5G coverage connectivity which allows more "headroom" for higher-definition images and video, and faster upload speeds saving their time and effort to quickly reach their social communities.

Social consumers who have 5G logo displayed on their smartphone screen become more intimate and offer interactions that are more fluid, more personalized, and highly contextual. 5G advanced technologies facilitate subscribers to quickly consume and produce more and more high-quality visual contents - photographs, memes, GIFs, and videos with the most famous YouTube, Instagram, Snapchat, TikTok, and more platforms. stc's 5G Sub-3Ghz and Stand-Alone network brings new coverage, capacity and speed levels that make it feasible to a family member in a single house to stream multiple 4K HDR movies and show on their preferred smartphones, smart TVs, laptops, and tablets simultaneously, without worrying about data or bandwidth! stc's 5G subscription plans offer unlimited maximum data-rates rather than being throttled to (say) 10Mbps or 100Mbps. Consumers can also experience a 5G internet at uninterrupted 5G speed using state-of-the-art technology (stc Baity) that gives them the best possible 5G signal for the best internet speeds across their home with unlimited data usage which provides them with consistent, and reliable online gaming and 4K/8K video streaming experience.

5G advanced Sub-3Ghz and SA enhanced coverage solutions will act as a bridge towards valuable new opportunities in industrial business. As with con-

sumer 5G or enterprise owner, there is also scope for Business-to-Business (B2B) Fixed Wireless Access (FWA) applications using 5G. Existing WAN networks for stores' branches can utilize 5G fixed, reliable and stable internet as his main connectivity solution or as a backup in case of wireline outages. Temporary sites such as construction projects, mobile cash points, or major broadcast venues can benefit from greater 5G downlink and uplink speeds. Schools, universities, retail malls or hospitals can greatly get benefits from the reliable and high-speed internet connectivity 5G can offer.

In Kuwait market, Solutions by stc was the 1st service provider has been targeting different industries in different 5G B2B segments by launching connectivity solutions (i.e. 5G Dedicated Access), AI services (i.e. Unified Communications and VaaS), Cloud (i.e. CCTVAAS) and cybersecurity solutions (i.e. DDOS), and has strategic plan to create public cloud market place. stc plans tie in building new opportunities by kicking off enterprise market interest with new rich forms of digital applications that require guaranteed Service Level Agreements (SLAs) enabling the radical transformation of the telecom industry into an as-a-Service model. stc has been creating a footprint with government sectors, and has been executing its strategic plan to continuously evolve its 5G SA network to gradually support enterprise innovative solutions like managed campus, cloud, and other industrial applications.

5G technologies have been designed to expand the scope of mobile technology beyond the capabilities of LTE. It will fuel innovation across every industry and transform every aspect of our lives. 5G will continue to play a critical role in empowering emerging technologies such as AR/VR, robotics, autonomous vehicles (AVs), industrial IoT and smart home applications. Over time, 5G technology will change the way people live, work, and play for the better, and achieve smart and secure cities in line with Kuwait 2035 Vision.

KFH announces winners of 'Win with Hesabi' draw

KUWAIT: Kuwait Finance House (KFH) announced the winners of the 10th draw of "Win with Hesabi" campaign that offers three Jeep Wrangler Sport cars and cash prizes worth KD 250 for 10 winners each month. The draw was held at KFH Headquarters under the supervision of the Ministry of Commerce and Industry.

The winners are: Hanan Al-Sulaili, Shaikha Al-Sulaiten, Fatima Al-Hajri, Muneera Al-Sharaf, Aydah Al-Saqer, Fajer Al-Muhjan, Amal Nasser, Abdulrahman Al-Kandari, Amnah Al-Hajri and Abdulrahman Al-Fadli.

This campaign comes as part of KFH continuing efforts to add value to Hesabi customers including advantages, discounts, prizes, and exclusive rewards. Once the social allowance is transferred to Hesabi program, customers enter the monthly draw on 10 prizes of KD 250 each, in addition to three special draws on Jeep Wrangler Sport cars.

KFH offers "Hesabi for Youth" with a variety of privileges as part of its continued endeavor to provide adequate customer care, innovate new products and services and fulfill the needs of all customers of various age categories and interests. Services and products are tailored to suit customers' needs and provide distinguished service as per global standards regarding quality, accuracy and speed.

Hesabi program has been designed to meet the needs of youth and aspire for their active lifestyle. This program presents for youth many exclusive offers and a wide range of privileges including Hesabi ATM card with a unique design, eligibility to issue Hesabi prepaid card (as per credit regulations of KFH), distinguished offers and discounts etc.

KFH continues to launch marketing campaigns to reward youth customers. Hesabi for Youth represents the ambitions and expectations of youth category and copes with KFH aspirations to attract the largest portion of youth who represents a major part of Kuwaiti society. Also, the account represents KFH initiative to diversify banking services and products.