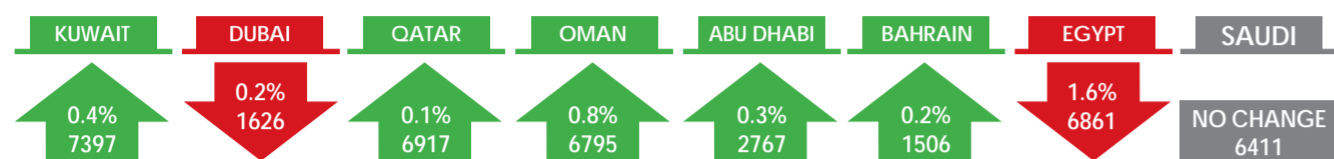


CAPITALS: The development of a trade finance arm will be an important next step in restoring the fortunes of struggling Faisal Private Bank, said its new Chief Executive Officer (CEO), but it will take time and probably fresh capital too. Mark Koch, who became chief executive of the bank at the start of 2010, told Reuters during the Islamic Banking and Finance Summit the company would leverage its relationships with its parent, Bahrain-based Ithmaar, and other banks in the group such as Faysal Bank Pakistan.



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MARKET WATCH



OIL MARKETS

| | | |
|---------|--------------|---------|
| \$77.27 | U.S. Crude | \$ 0.01 |
| \$75.41 | London Brent | \$0.08 |
| \$73.25 | Kuwait Crude | \$0.14 |

Information Courtesy: KAMCO

CURRENCIES

| US Dollar | British Pound | Saudi Riyal | Qatari Riyal | Indian Rupee |
|-------------|---------------|--------------|----------------|-----------------|
| Buy 0.2883 | Buy 0.4496 | Buy 0.0769 | Buy 0.07927 | Buy 0.006236 |
| Sell 0.2885 | Sell 0.4501 | Sell 0.0769 | Sell 0.07920 | Sell 0.006238 |
| Euro | Japanese Yen | UAE Dirham | Bahraini Dinar | Philippine Peso |
| Buy 0.3915 | Buy 0.003173 | Buy 0.0785 | Buy 0.7648 | Buy 0.006246 |
| Sell 0.3919 | Sell 0.003176 | Sell 0.07855 | Sell 0.76535 | Sell 0.006238 |

Prices in Kuwaiti fils as of February 18, 2010 COURTESY: KAMCO

NBK shareholders to vote on capital hike

Kuwait to host Arab Exporters and Importers Union's office

Compiled by Al Watan Daily

CAPITALS: Shareholders of the National Bank of Kuwait (NBK), the country's biggest lender, will vote on a 10 percent capital raise on March 7, the bank announced on Thursday.

The general assembly meeting was set for March 7. The bank had said the move was intended to support its strategic expansion plans. Shareholders will decide on a rights issue at a price of 500 Kuwaiti fils per share including premium.

In other news, the Arab Exporters and Importers Union said it will inaugurate a regional office in Kuwait in the second half of 2010. The office will be headed by the union's Kuwaiti member Saad Al-Jufaira, said the union's Chairperson Amal Zaki in a statement to Kuwait News Agency (KUNA).

She said, upon the conclusion of the union's conference, Wednesday evening, that the union will hold on the sidelines of the inauguration a conference with the participation of the Arab members.

She stressed the importance of the union's regional offices, adding that offices will also be established in Saudi Arabia, the United Arab Emirates (UAE), and Algeria, raising the number of the union's offices to 15.

On his part, Al-Jufaira said that it was significant to achieve the vision of His Highness the Amir Sheikh Sabah Al-Ahmad Al-Jaber Al-Sabah of making Kuwait a financial and economic center.

He told KUNA that His Highness the Amir was a great supporter of youth, especially in the private sector. Al-Jufaira said that the in-



Photo taken on Feb. 18, 2010 in Prague shows stuffed toys placed on a pontoon in front of the Charles Bridge. Plagued by the global economic crisis, the Czech tourist trade has been given an oddball boost by a new travel agency offering trips to Prague for teddy bears and other stuffed toys. The 'Toy traveling' agency said in a statement it would take pictures of the toys in front of Prague's major sights, then send them on a CD to the owner who can "boast to friends or on Facebook" - this all for 90 euros (122 US dollars). (AFP)

auguration of the new office in Kuwait would be an important opportunity for companies which want to import and export goods from and to Arab countries to get to know the products of different states. The union, es-

tablished in 2005, aims to develop trade exchange among Arab countries and to provide information on Arab companies, he pointed out.

"The union established a database on

Arab companies and their specializations and established an information center of export services related to packaging, wrapping, and transport," he added. It also provided legal counseling, he noted.

Investments rocket in Syria

The good Kuwaiti-Syrian relations positively affected the economic ties and investments between the two countries, resulting in high figures and constant progress. Economic cooperation between Kuwait and Syria is based on a number of agreements that encouraged the protection of investments, the prevention of double taxation, and increasing trade exchange. Kuwait is one of the first countries to invest in Syria. It established Kuwait United Investment Company in Syria with a capital of 200 million US dollars and established a number of commercial banks like Gulf Bank with a capital of \$60 million and Cham Islamic Bank with a capital of \$100 million.

Kuwait is currently ranked third, after Saudi Arabia and Turkey, in volume of foreign investments in Syria.

In 2005, Syrian exports to Kuwait came to about \$36 million and trade exchange between Syria and Kuwait reached \$345 million. Between 2005 and 2006, Syrian exports to Kuwait made up 35 percent of the country's exports.

A report on Arab and foreign investments in Syria showed that from 1991 to 2008, Kuwaiti investments were channeled into about 32 projects. A total of 25 of the projects were industrial, three were agricultural, and three were in the transport field. Agreements signed by the two countries in the past few years helped trade exchange exceed \$6 billion.

The Syrian Investment Agency's Director General Dr. Ahmad Abdulaziz told Kuwait News Agency (KUNA) that the Kuwaiti capital is one of the major resources for the flow of investments into Syria. "Kuwaiti investors are special for their seriousness in following up procedures to get licenses for the projects, among other things," he pointed out.

Zain's Zap mobile commerce service takes GSMA top prize

BARCELONA: Zain, one of the leading mobile network operators in the Middle East and Africa, has won the inaugural Global System for Mobile Communications Association's (GSMA) 2010 'Mobile Money for the Unbanked Service' award for 'Zap', its mobile commerce service. The announcement was made at the Global Mobile Awards, the industry's leading annual prize ceremony, at the Mobile World Congress in Barcelona. This was stated in a press release this week.

The Mobile Money for the Unbanked Service is a new award, established to recognize innovative mobile banking around the world that pioneers the roll out of low-cost financial services to millions of people, in countries where traditional financial services are either not within easy reach or unavailable. It is aligned to the GSMA's Mobile Money for the Unbanked (MMU) initiative, which was created to connect the unconnected and improve the social, economic and environmental well-being of the world's population living on less than two US dollars a day by supporting and encouraging the development of sustainable mobile money solutions.

Zap, which was launched a year ago, in partnership with leading international and regional banks, provides a comprehensive and accessible package of m-commerce features. With more than 12 million customers already fully-enabled for the service across seven African nations, 'Zap' is the biggest Mobile Commerce service in the world in

terms of geographical coverage, enabled customers and service functionalities. It is currently accessible to approximately 200 million potential customers in Kenya, Malawi, Niger, Sierra Leone, Tanzania, Uganda and Ghana, where over 80 percent of them are 'unbanked', with little or no access to financial services. Zain has plans to roll-out the service in all its operations.

"This is yet another indication that Zain is at the cutting edge of technological development," said Zain Africa Chief Executive Officer, Chris Gabriel. "Not only are we pushing the boundaries of where the mobile phone can take us, we are showing that we can improve lives and make sustainable economic contributions in the countries where we operate."

Zap provides customers with a virtual mobile wallet, which allows them to use their mobile phone in much the same way as a bank account debit card, managing their money through their handset. It provides customers with increased security and flexibility, reducing the need to carry cash and ensuring payments between friends and family from around the world remain secure.

Customers also benefit from being able to access the service 24/7 through their handset, allowing them access to their money anytime, anywhere. The service is supported on all handsets, including the ultra-low-cost handsets (ULCH) which Zain is currently rolling out across the continent.

Kuwaiti consumers to sue Toyota, Commerce Ministry, Chamber over faulty vehicles

Ahmad Al-Shemmari
Staff Writer

KUWAIT: A lawsuit has been filed by Fahad Al-Ajmi against the Toyota Company, the Kuwaiti Ministry of Commerce and Industry and the Chamber of Commerce and Industry as well as the Toyota local agent over the recent recalls.

In his suit, the lawyer argues that the fault in the cars as well as the subsequent problems

raised by such a blunder have caused great dismay among those who have purchased the model.

Al-Ajmi made extensive use of international coverage of the media over the recall of millions of cars in Europe, the US and in other places but never from Kuwait, as he argues, "There was never a hint that the local agent expressed willingness to recall the cars sold in Kuwait even though they are technically faulty."

The inclusion of the Chamber of Commerce and Industry comes up implicitly in the lawsuit because it is the authority that is in charge of consumers' protection and according to Al-Ajmi, has been silent over the affair despite the fact that the main Japanese Toyota company publicly acknowledged the issue stating that such faults could be extremely dangerous to drivers.

The Court of First Instance has already set March 15 as the date for deliberations.

Fitch affirms Bank of Sharjah at 'BBB+'

CAPITALS: Fitch Ratings has affirmed on Thursday that the United Arab Emirates (UAE)-based Bank of Sharjah's (BOS) Long-term Issuer Default Rating (IDR) at 'BBB+' with a Stable Outlook, Short-term IDR at 'F2', Individual Rating at 'C/D', Support Rating at '2' and Support Rating Floor at 'BBB+'. BOS's IDRs and Support Ratings are based on what Fitch believes is a high probability that, if ever required, the bank would be supported by the UAE federal authorities.

Fitch's view is based on the UAE authorities' strong history of providing support and its explicit statements of support for the system since the start of the global crisis. BOS is 15 percent owned by the Government of Sharjah which provides Fitch with further comfort. Downside risk to the IDRs is limited by the Support Rating Floor.

BOS's Individual Rating reflects the bank's small but resilient franchise and consistent financial profile, particularly its strong capital position. The rating is constrained by concentration risks in loans and deposits and the challenges in operating in a weaker Dubai, where BOS conducts part of its business. The rating could be upgraded if BOS demonstrates continuing strong performance whilst maintaining strong capitalization.

The rating affirmation and stable outlook are based on BOS having reported strong net income of AED 476 million UAE dirhams in the 2009 fiscal year (FY2009) (up 16 percent year-on-year) reflecting good business growth, sound asset quality and the low cost structure of operations. Corporate banking generates the bulk of the bank's earnings which have proved stable over time. This highlights BOS's niche focus on a limited number of large and mid-sized enterprises in mainly Sharjah and Dubai, a strategy that is viewed positively by Fitch.

Due to a conservative strategy and risk appetite BOS has no exposure to troubled corporates in Saudi Arabia and Dubai. -Reuters

IMF to begin selling gold shortly

WASHINGTON: The International Monetary Fund (IMF) will shortly initiate the on-market phase of its gold sales program, the institution announced here late Wednesday.

The IMF indicated that this is the second phase of the total sale of 403.3 metric tons approved by the Executive Board in September 2009, as the first phase was set aside exclusively for off-market sales to official holders.

A total of 212 metric tons was sold during this phase, comprising sales to the Reserve

Bank of India, the Bank of Mauritius, and the Central Bank of Sri Lanka.

The total amount remaining to be sold is 191.3 metric tons.

According to the IMF, "The initiation of on-market sales does not preclude further off-market gold sales directly to interested central banks or other official holders."

"Such sales would reduce the amount of gold to be sold on the market," the IMF affirmed. -KUNA

BofA Merrill ups Commercial Bank of Qatar to buy

CAPITALS: Bank of America Merrill Lynch raised Commercial Bank of Qatar to 'buy' from 'neutral' and said it was bullish on Qatari banks as it sees strong loan growth off a low base, driven by government spending. The brokerage said Qatar National Bank remains its 'preferred pick' as its growth will be driven by Qatar's increasing sovereign wealth.

"We expect bank shares to rally driven by Qatar's record Fiscal Year 2010 budget and improving liquidity," the brokerage said in a note to clients. The brokerage, which raised its price target on Commercial Bank's shares to 79 Qatari riyals from 73 riyals, sees the bank as a strong beneficiary of plunging deposit costs in the country.

Bank of America Merrill downgraded Doha Bank to 'neutral' from 'buy' on the lender's recent share price outperformance versus peers. The brokerage cut its target on Doha Bank stock to 60 riyals from 63 riyals. -Reuters

BlackBerry Enterprise Server v5 wins best product or service

CAPITALS: At Mobile World Congress 2010, Research in Motion (RIM) was awarded the Global Mobile Award for Best Mobile Enterprise Product or Service for BlackBerry Enterprise Server v5. Judged by an independent industry panel, BlackBerry Enterprise Server v5 was recognized as the most innovative mobile tool to help organizations "work smarter and do business better on the move."

This was stated in a press release this week.

BlackBerry Enterprise Server is RIM's secure, push-based server software for business mobility.

With BlackBerry Enterprise Server, information technology (IT) managers can easily control and manage their organization's mobile devices.

This includes the ability to control over

450 configurable policies, such as setting passwords, deploying or disabling mobile applications and remotely wiping lost or stolen devices.

BlackBerry Enterprise Server v5 redefines power and flexibility for IT administrators and provides a secure, centrally managed link between BlackBerry smartphones and enterprise systems, applications, corporate phone environments (with BlackBerry Mobile Voice System) and wireless networks thanks to end-to-end AES 256-bit encryption.

The award comes on the day that RIM launched BlackBerry Enterprise Server Express, which is a free server solution that will enable small businesses to wirelessly and securely synchronize BlackBerry smartphones with Microsoft Exchange or Microsoft Windows Small Business Server.