

Saudi Arabia issues bonds worth \$5 bn

Hofuf

Saudi Arabia has issued bonds worth 20 billion riyals (\$5.33bn), and plans to raise billions more to maintain its spending plans, according to a report.

The bonds were sold to local banks and institutions in three tranches of five-, seven- and

10-year maturities, the official Saudi Press Agency, or SPA, said Tuesday, citing the Saudi finance ministry. Saudi Arabia issued development bonds worth 15bn riyals in June as well, its first sovereign issuance since 2007. More multibillion debt sales could follow in the coming months, the Marketwatch said quoting SPA.

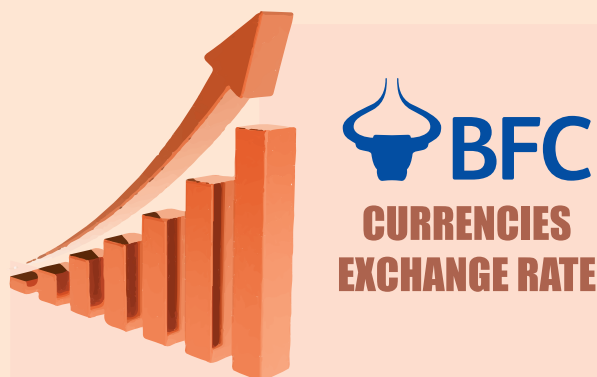
Saudi Arabia's debt issuance comes as the kingdom and the other oil-exporting economies of the Persian Gulf are contending with the fallout of lower oil prices that have sunk below \$50, roughly half of what they were at a year ago. Oil revenue makes up for most of the budget income of these countries, or close to 90 per

cent in the case of Saudi Arabia.

The International Monetary Fund recently said Saudi Arabia is likely to run a fiscal deficit of about 20pc of its gross domestic product, or about \$150bn, this year. Economic growth, meanwhile, will hover around 3.5pc this year but weaken in 2016, the IMF said.



Representative picture



COUNTRY/CURRENCIES BUY SELL

SOUTH AFRICAN RAND	36.1011	31.746
US DOLLARS	2.6667	2.6455
CANADIAN DOLLAR	3.5149	3.3523
PERUVIAN NUEVO SOL	7.6923	7.6923
INDIAN RUPEE	169.2047	161.8123
BANGLADESH TAKA	206.1006	194.8558
CHINESE YUAN	17.1527	16.2338
HONG KONG DOLLAR	21.5332	20.0642
INDONESIAN RUPIAH	38417.2109	32754.6675
JAPANESE YEN	336.7003	312.5
KOREAN WON	3535.8178	2682.2595
SRI LANKAN RUPEE	364.8876	315.4007
MALAYSIAN RINGGIT	10.9051	10.1317
NEPALESE RUPEE	306.3012	252.2221
PHILIPPINE PESO	124.2236	116.9591
PAKISTAN RUPEE	277.0582	259.111
SINGAPORE DOLLAR	3.7665	3.635
THAI BAHT	92.5926	90.8265
AUSTRALIAN DOLLAR	3.6657	3.4904
NEW ZEALAND DOLLAR	4.09	3.9277
EURO	2.4207	2.3283
SWISS FRANC	2.6504	2.517
CZECH KORUNE	89.2857	45.045
BRITISH POUND	1.7241	1.6644
TURKISH LIRA	7.4267	6.9051
SAUDI RIYAL	10	9.9404
UAE DIRHAMS	9.7561	9.7276
QATAR RIYAL	9.6899	9.6348
KUWAITI DINAR	0.8097	0.8
OMANI RIYAL	1.0272	1.0204
EGYPTIAN POUND	20.1207	18.9753
JORDANIAN DINAR	1.8868	1.8636
LEBANESE POUND	4227.7935	3816.3569
MOROCCAN DIRHAMS	26.8817	24.2718
SYRIAN POUND	952.381	574.7126
YEMENI RIYAL	913.3254	542.0348

Rates are for indication purpose only. For firm rates or for currencies not listed above please call Bahrain Financing Company. Telephone: 17228888, Website: www.bfc.com.bh

Q2 profit at US\$7.6m

GFH REPORTS \$13.6M PROFIT

DT News Network Manama

GFH Financial Group "GFH", yesterday announced its financial results for the first half of 2015 ended June 30, 2015 reporting sound performance and profitability.

For the first six months of 2015, the Group reported a net profit of US\$13.6 million compared with US\$14.8m during the prior year period.

Net profit for the second quarter of 2015 was US\$7.6m versus US\$12.4m reported in the second quarter of 2014. Last year's results included a one-off income of US\$33m as a result of a recovery. Excluding this one-off gain, net profit for the first six months of 2015 increased to US\$13.6m compared to a loss of US\$18.2m for the prior year period.

On a quarterly basis, when normalized, net profit rose by US\$7.6m from a loss of US\$20.6m in the second quarter of 2014. Contributing to results for the current quarter was income generated from the placement of a new investment in Dubai, coupled with improved performance from the Group's subsidiary, Khaleeji Commercial Bank. Total income for the first half of 2015 was US\$55.6m compared

with US\$60.5m for the same period of 2014. Operating expenses for the period were US\$39.6m compared with US\$35.3m last year.

Commenting on the half year 2015 results, Hisham Alrayes, CEO of GFH Financial Group, said, "In the first half of the year, we continued to successfully execute our strategy investing in new cash yielding opportunities in defensive sectors that have sound growth potential. Key among these was a new investment in a British curriculum private school in Dubai in June 2015, which has contributed to our second quarter results. This followed

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our May 2014 acquisition of a 1300 pupil, American curriculum K-12 private school also located in the UAE."

"During the first six months of the year, we also realized the benefits from other investments made in the last eighteen months. This includes dividends paid to our investors on the Diversified US residential portfolio and Philadelphia Private School in Dubai. We have also distributed partial exits from our India project. We shall continue to grow our income yielding investment portfolio, maximize returns from our existing assets and progress our development projects."

Inflation drops in India

New Delhi

India's inflation rate fell lower than analysts' expectations while factory output inched higher, official data showed yesterday, adding pressure on the central bank to further cut interest rates.

Consumer prices cooled to 3.78 per cent in July from a year earlier, according to the statistics ministry, lower than the 4.4pc predicted by a Bloomberg survey.

According to the data, industrial production grew 3.8pc in June, the highest in four months, and higher than Bloomberg's prediction of 3.5pc.

The latest inflation figure was down from 5.40pc recorded in June, while factory output rose from May's 2.7pc -- signalling a boost in Asia's third largest economy.

The Reserve Bank of India (RBI) kept interest rates unchanged earlier this month, resisting pressure for a fourth cut of the year and saying the country's economic recovery was "still work in progress".

But Finance Minister Arun Jaitley cheered Wednesday's data on Twitter, saying it showed "that the economy is firmly on the growth path".

RBI governor Raghuram Rajan has made keeping inflation below six per cent a target, but has already cut interest rates three times this year in a bid to inject life into the economy, which at 7.5pc growth outperformed China's for the first three months of 2015.

GULF INTERBANK RATES

COUNTRY	1 US DLR	1 UK STG	1 SFR	100 YEN
BAHRAIN	0.3770	0.5876	0.3829	0.3028
KUWAIT	0.2855	35.5419	0.2900	0.2293
OMAN	0.3849	0.3789	0.3910	0.3092
QATAR	3.6420	3.5855	3.6993	2.9255
UAE	3.6730	3.6161	3.7308	2.9504
SAUDI	3.7500	3.6919	3.8090	3.0123

Airbus to develop Ariane 6 by 2020

Paris

The European Space Agency announced yesterday that it has tapped Airbus Safran Launchers to build a new generation of rocket launcher by 2020 in a deal worth 2.4 billion euros (\$2.7bn).

The Ariane 6 satellite-carrying rocket launcher is due to take its maiden voyage in 2020, and is an update to the company's Ariane 5 which first

launched in 1998.

The new system is expected to launch 12 rockets per year to an altitude of 36,000 kilometres (22,000 miles) and has partners from 12 European countries.

Alain Charmeau, president of Airbus Safran Launchers, said the contract showed the partners were determined to create "a launcher just as reliable, more competitive and adapted to the evolution of



Representative picture

the space market that is in the midst of transformation."

The decision to roll out the project was taken at a ministerial meeting in

December in Luxembourg, with Europe keen to remain competitive with America's SpaceX.

The contracts signed on Wednesday "cover all development work on Ariane 6 and its launch base," ESA said in a statement, including 680 million euros for preliminary development up to mid-2016.

Overall, Ariane 6 is expected to cost three billion euros.