

BKIC approves 15pc cash dividend

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Mohammed Zafran

The General Assembly of Bahrain Kuwait Insurance Company (BKIC) yesterday approved a cash dividend distribution of 15 per cent (BD 2,143,847) from the paid-up capital.

Shareholders approved the board's recommendation during an Annual General Meeting for the financial year 2018 held at the company's head office in Seef District.

"The recommendation to distribute a cash dividend of 15 per cent of the paid-up capital, excludes treasury shares," the board said noting that the company doubled its paid-up capital in 2018 through the distribution of 100pc bonus shares to increase its paid-up capital to BD 14.3 million.

The board further noted that the company's end of the year net profit attributable to the shareholders increased by 22pc, from BD2.6m in 2017 to BD3.2m in 2018.

The Return on Equity (ROE) recorded was 8.8pc compared to 7.5pc in 2017.

Earnings per share (EPS) at the end of the year 2018 stood at 22 fils (Paid up capital BD 14.3m) compared with 36 fils (Paid up Capital BD 7.2m) in 2017.

Stake in Takaful

Chairman Murad Ali Murad told shareholders that the company had an impressive performance and continues to maintain its leading position in the insurance market in Bahrain, despite economic challenges faced by the country, especially in the insurance industry last year.

The company, the Chairman said, had increased its stake in Takaful International through



Board members and top officials of Bahrain Kuwait Insurance Company during its Annual General Meeting held yesterday



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MURAD ALI MURAD
CHAIRMAN

"Since the markets in which we operate are small and limited in scope for organic growth, we believe that strategic investments like merger or acquisition will help us to maximise investment income and cost saving," Murad Ali Murad said.

On credit rating, Murad stated that the international rating agency A.M. Best has affirmed the credit rating of the company "A- with stable outlook" after reviewing the company's performance in 2018.

Ebrahim Alrayes - the CEO said that the company's technical profits for the year 2018 were good. He indicated that the company achieved underwriting profits of BD 1.9m during the year 2018, compared to BD 1.2m last year, recording an increase of 66pc.

"The company also achieved a gross premium revenue of BD 81.6m, compared to BD 59.5m

in the previous year, recording a significant growth of 37pc. The investment net income increased by 26pc, from BD 1.6m in 2017 to BD 2m in the year 2018," he said.

Alrayes mentioned that the net claims increased by 31pc from BD 18.5m in 2017 to BD 24.4m in 2018. Despite this increase, there was no change in loss ratio from the previous year which remained at 76.8pc at the end of the year. Also, based on the report of the external actuary, additional IBNR provisions amounting to BD 564,000 was made to strengthen the technical reserves which stood at BD 29.5m compared to BD 26.5m in the previous year.

On business development, Alrayes said that the company recruited an officer in the position of Assistant Chief Executive Officer for Support and Development to implement the state

of the art information technology and digital solutions within the company.

"gig go"

Alrayes added that among the most important projects that have been completed during the year 2018 was the launch of the application of "gig go" which is a smart and easy-to-use mobile application that enables customers to buy personal insurance products, renew policies and register their claims online using their mobile phones and other smart devices.

Cloud solution

Alrayes also mentioned that in accordance with the requirements of the Central Bank of Bahrain, the company is gradually moving to the Cloud Solution using Amazon web services which will save cost on IT infrastructure.

World stock markets slide on global growth fears



A trader works ahead of the closing bell on the floor of the New York Stock Exchange (NYSE)

London, United Kingdom

Stock markets slid yesterday, with Asia taking the heaviest hit, as investors took flight on mounting fears of a sharp global economic slowdown.

Investors shrugged off news that an investigation found no evidence of collusion between US President Donald Trump's election campaign and Russia.

Dealers have been spooked by growing evidence of a slowdown, after a broad-based rally since the start of the year that was built on hopes for China-US trade talks and a more dovish

Federal Reserve.

"Concerns over the health of the global economy heat up at a rapid pace," said analyst Jameel Ahmad at traders FXTM.

In Europe key stock markets were lower, with London the weakest performer, while Wall Street also got off to a softer start. Eurozone losses were capped by the closely-watched Ifo index that showed recovering confidence among Germany's business leaders in March after six months of decline.

'Miserable session'

Tokyo's main stocks index was

hammered 3.0 percent, while Hong Kong and Shanghai both dived two percent, as concerns festered also over a possible recession in the United States, dealers said.

"Despite a miserable session for Asia, European markets are managing to avoid heavy losses," noted IG analyst Chris Beauchamp.

"The risk-off mood at the end of last week seemed dramatic, and was perhaps justified given the sudden shift in the economic outlook, but a better reading from the German Ifo index has provided

some reason for optimism," he added.

US and European equities had tumbled Friday as the yield on 10-year Treasury bonds fell below those for three-month notes -- the first time this had happened since before the global financial crisis.

This so-called inverted yield curve shows investors are more willing to buy long-term debt -- usually considered higher risk -- as they consider the short-term outlook more risky.

"This development will psychologically encourage further anxiety and rocket fears that the global economy is heading for

another downturn, if recent economic releases across the globe have not already provided indications that the downturn has arrived," added analyst Ahmad.

The yield curve is closely watched since it has inverted prior to recessions in recent decades.

The rush to the 10-year US bond market followed weak manufacturing data out of the US, eurozone giant Germany and France on Friday.

That came days after the Fed's announcement that it was unlikely to lift interest rates this year owing to unease about the US and global economy.

EU fines Nike 12.4 mn euros over football merchandise

Brussels, Belgium

The EU's powerful competition authority yesterday imposed a 12.5 million euro (\$14 million) fine on US sports apparel giant Nike for restricting cross-border sales in Europe of jerseys and scarves of top football teams.

According to the European Commission, Nike imposed illegal licensing deals on merchandise from clubs such as FC Barcelona, Manchester United, Juventus, Inter Milan and AS Roma, as well as national federations including World Cup winners France.

"Today's decision makes sure that retailers and consumers can take full advantage of one of the main benefits of the Single Market," European Competition Commissioner Margrethe Vestager said in a statement.

Nike obtained a 40 percent reduction from an initial figure in return for its cooperation with the commission, which opened its investigation in June 2017 over practices that took place over 13 years.

BTEA takes part in Int'l handicrafts exhibition

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The Bahrain Tourism and Exhibitions Authority (BTEA) participated in the 2nd International Handicrafts Exhibition, which was held under the patronage of the Minister of Information of Oman, Dr Abdul Moneim bin Mansour Al Hassani. The Exhibition was organised by the Public Authority for Craft Industries in the Sultanate of Oman between the 10th and 13th of March 2019.

Bahrain's pavilion attracted a large number of visitors, where a variety of handicraft products including leather crafting, artistic ceramics, and traditional wooden chests were showcased. Products at the pavilion demonstrated the development of Bahraini crafts in terms of aesthetics, quality, and innovation, and strongly pronounced a sense of national identity.

BCCI workshop on "Leading School Improvement"

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The Education Committee of the Bahrain Chamber of Commerce and Industry (BCCI) headed by Dr Waheed Al Khaja and in cooperation with Quality House Consultancy is holding a workshop themed "Leading School Improvement" tomorrow from 4:00 to 6:00 pm in Al Majlis Hall of Bait Al Tijjar.

Chamber members and all interested in the subject are welcome to attend the workshop.