

Flydubai profit tumbles

Profit at state-owned budget carrier flydubai plunged last year, a sign of pressure on the Middle East's aviation sector, but revenue continued rising as Dubai strengthened its role as an international hub.

Profit sank to 31.6 million dirhams (\$8.6 million) in 2016, the airline said on Wednesday, from 100.7 million dirhams in 2015. But revenue increased 2.4 percent to 5 billion dirhams. Flydubai carried a record number of passengers last year, up 14.4 percent to 10.4 million people, as it launched flights to Bangkok and increased flight frequency on existing routes. Its fleet grew to 57 aircraft from 50. (RTRS)

Name: Kuwait Sharia

Compatible Indices
 Providers: Al Madar Finance & Investment Co.

Description: Index of Sharia compatible companies traded on the KSE

Website: www.almadar-fi.com

Index name	Bloomberg ticker	Today's value as of	Today's closing value	Prev closing value	% change	1-week change	3-month change	YTD change	12-month change	24-month change
Kuwait Sharia Compatible Index - Composite	AMIC	February 1, 2017	190.99	190.11	0.46%	1.23%	24.09%	14.45%	29.86%	-1.36%
Kuwait Sharia Compatible Index - Kuwait Only	AMIC	February 1, 2017	181.34	180.73	0.34%	1.09%	21.99%	13.48%	26.40%	-4.23%
Kuwait Sharia Compatible Index - Active	AMIC	February 1, 2017	112.95	111.80	1.03%	-4.11%	57.85%	42.31%	77.58%	5.98%
Kuwait Sharia Compatible Index - Banking Sector	AMIC	February 1, 2017	296.17	295.16	0.34%	0.93%	19.85%	11.28%	16.42%	-12.63%
Kuwait Sharia Compatible Index - Investment Sector	AMIC	February 1, 2017	68.25	67.73	0.76%	-4.09%	61.73%	45.28%	73.14%	-11.07%
Kuwait Sharia Compatible Index - Insurance Sector	AMIC	February 1, 2017	22.02	21.92	0.43%	6.53%	47.56%	39.64%	35.65%	-27.52%
Kuwait Sharia Compatible Index - Real Estate Sector	AMIC	February 1, 2017	56.61	56.69	-0.14%	-1.38%	23.89%	16.12%	19.54%	-2.15%
Kuwait Sharia Compatible Index - Industrial Sector	AMIC	February 1, 2017	146.52	144.89	1.12%	6.07%	30.05%	20.88%	28.03%	3.27%
Kuwait Sharia Compatible Index - Services Sector	AMIC	February 1, 2017	226.22	225.12	0.49%	1.57%	25.54%	14.59%	35.80%	1.41%
Kuwait Sharia Compatible Index - Food Sector	AMIC	February 1, 2017	382.23	384.81	-0.67%	-1.17%	0.05%	0.55%	33.00%	-5.73%
Kuwait Sharia Compatible Index - Islamic Sector	AMIC	February 1, 2017	149.97	149.15	0.55%	0.90%	28.84%	16.25%	30.00%	-2.32%
Kuwait Sharia Compatible Index - Non Kuwaiti Sector	AMIC	February 1, 2017	589.76	575.00	2.57%	3.58%	73.82%	33.02%	137.34%	111.90%
Kuwait Stock Exchange Index - Price	KWSEIDX	February 1, 2017	6,847.96	6,832.22	0.23%	0.42%	26.59%	19.13%	33.41%	3.18%
S&P 500	SPX	January 31, 2017	2,278.87	2,280.90	-0.09%	-0.05%	8.62%	1.79%	17.51%	14.23%
DJ Islamic Index	DJIM	January 31, 2017	2,991.19	2,981.41	0.33%	1.05%	4.57%	2.91%	12.99%	5.64%

Finmin Jaitley revises up 2017/18 deficit to 3.2 pct

India boosts spending and cuts taxes as cash ban bites

NEW DELHI, Feb 1, (AFP): India's finance minister pledged to raise spending on the rural poor and halved the basic rate of income tax in his annual budget Wednesday, seeking to ease the pain of a shock move to ban high-value bank notes.

Arun Jaitley defended so-called demonetisation, saying it would increase revenues by forcing people to declare untaxed wealth, but conceded it had hit the economy and promised relief for the poor and middle classes ahead of key polls.

Jaitley pledged to double the income of farmers, who have been hard hit by the currency ban, in the next five years and bring 10 million households out of poverty by 2019.

He also promised more affordable housing for the poor and halved the basic rate of income tax to five percent.

"My overall approach while preparing this budget has been to spend more in rural areas, poverty alleviation through fiscal prudence," Jaitley said in a speech to parliament.

The finance minister said tax evasion had become India's "new normal" as he laid out further measures to increase the number of people paying their taxes after last November's currency ban.

He said the rate cut was intended to reward those already paying income tax, and encourage more to do so. The basic tax rate applies to those with annual incomes of between 250,000 rupees (\$3,700) and 500,000 rupees.

"We are largely a tax non-compliant society. When too many evade tax, the burden falls on those who are honest," Jaitley said.

Prime Minister Narendra Modi's unanticipated decision removed around 86 percent of India's cash at a stroke, triggering massive queues outside banks and a cash shortage that has hit businesses across the country.

Analysts said the budget was in line with expectations that the government would target communities worst hit by the move, with elections beginning in the key battleground state of Uttar Pradesh later this month.

"That's applying a balm to this segment, which is broadly the lower middle class and which has been more vulnerable to the cash ban," said Sunil Sinha, principal economist at India Ratings & Research, referring to the tax cut.

"This is what's been the flavour of the budget -- to reduce the pain of demonetisation."

Jaitley relaxed India's fiscal deficit target to 3.2 percent for the financial year 2017/18, citing the increase in gov-

Asian factories rev up

Trump threat to demand looms large

SINGAPORE, Feb 1, (RTRS): Factories in China and Japan started 2017 on a positive note in a sign the global manufacturing revival is carrying through from late last year, but rising protectionism in the United States threatens to snuff out a nascent recovery in Asian exports.

As global growth has gathered momentum over the past year thanks to a bounce in consumption, businesses have ramped up production in a boon to worldwide trade and investment.

That has shown up in major economies like Japan, where manufacturing activity expanded in January at the fastest pace in almost three years as export orders surged, Markit/Nikkei purchasing manager index (PMI) numbers showed.

In China, the world's second-biggest economy, factory activity expanded for the sixth month in December, accord-

ing to an official PMI survey, led by an investment and construction boom that has helped spur global growth. Even in laggard South Korea where manufacturing contracted for the sixth straight month, exports rose at the fastest pace in nearly five years.

The fairly solid underlying numbers, however, belied the growing uncertainty stoked by rising protectionism in the United States.

Indeed, in export-reliant Asia, and other regions where global supply chains are closely inter-linked, the election of Donald Trump as US president has emerged as a major risk to both world trade and broad economic growth.

Later in the day, analysts will get an opportunity to gauge the health of manufacturing activity in Europe and North America through similar PMI surveys.

The Trump factor, allied with a stronger dollar as the US Federal Reserve starts to raise interest rates at a faster pace, could knock global economic growth, and hurt Asian manufacturing and exports.

On Tuesday, the Trump administration added to global political frictions, criticising China, Japan and Germany

as having deliberately devalued their currencies.

Analysts warn a slowdown in Chinese economic growth and a pullback in stimulus in the Asian economic powerhouse could also hit demand across the region and elsewhere.

China's official PMI stood at 51.3 in January, slowing marginally from 51.4 in December, but above the 50-point mark that separates growth from contraction on a monthly basis.

China's manufacturing sector has been buoyed by a government infrastructure building spree and a housing boom, which have fueled demand for building materials from cement to steel.

However, some analysts question whether the growth will be sustainable once the impact of earlier stimulus measures begins to wear off and as the property market starts to cool.

Other major regional economies like Indonesia showed positive momentum in manufacturing activity, while Indian factory activity returned to modest growth in January, bouncing from a contraction in December triggered by the government's scrapping of high value banknotes.

Trump comments on currencies roil mkts

Japan to offer US job boost to Trump: Kyodo

TOKYO, Feb 1, (Agencies): Japan's Prime Minister Shinzo Abe will propose plans to create hundreds of thousands of jobs in the US when he meets President Donald Trump at an upcoming summit in Washington, Kyodo news reported Tuesday.

Tokyo is busy putting together an investment package which "would translate into hundreds of thousands" of new US jobs, Kyodo said, citing unnamed Japanese government sources.

Abe will pitch Japanese companies' cooperation in projects like high-speed rail construction and shale oil development, the report added. The package is to be put forward when the two leaders meet on Feb 10.

Japan is one of Washington's closest allies but Trump alarmed Tokyo policymakers during his election campaign late last year by musing about pulling thousands of US troops from the region and suggesting that officially pacifist Japan may need nuclear weapons.

Kyodo said that Abe will take up the issue of auto trade at the summit and stress economic contributions of Japanese automakers' investments and jobs in the US.

Concerns

Earlier this month Trump set off concerns about the fate of Japanese firms doing business in the United States after threatening Toyota with punitive tariffs over its new vehicle plant in Mexico.

Toyota later said it will invest \$600 million and create 400 jobs at one of its US plants -- just weeks after Trump criticised the Japanese auto giant.

Trump, speaking to a group of pharmaceutical executives at a White House meeting on Tuesday, accused Japan of currency manipulation.

"You look at what China is do-

ing and what Japan has done over the years, and they played the money market and the devaluation market and we sit there like a bunch of dummies," he said.

Japan is not deliberately weakening the yen to boost its exports, Prime Minister Shinzo Abe said Wednesday when asked in parliament about President Donald Trump's accusations of currency manipulation.

"The criticism that our policies are intended to direct the yen lower is undeserved," Abe told fellow lawmakers during a budget committee hearing. Instead they are aimed at spurring inflation, he said.

Devaluation

"Every other country lives on devaluation," he said. "You look at what China's doing, you look at what Japan has done over the years ... They play the money market, they play the devaluation market and we sit there like a bunch of dummies."

Trump occasionally has railed against Japan's trade surplus with the US, which fell 4.6 percent last year from a year earlier to \$60.2 billion, according to preliminary Japanese trade figures.

The yen's value fell steadily after Japan's central bank implemented massive monetary easing four years ago, hoping to counter deflation and get people and businesses to spend more money. Injecting massive amounts of cash into the economy through the same sorts of asset purchases used by the Federal Reserve for "quantitative easing" caused the yen's value to fall from about 80 yen to the dollar to a low of about 125 yen to the dollar in mid-2015.

Trump is not the only critic of that trend toward a weaker yen. But Japan generally has won grudging acceptance of its unorthodox monetary policies from its major trading partners.



An Indian office-worker walks past a digital screen showing Indian Prime Minister Narendra Modi during Finance Minister Arun Jaitley delivering the budget speech at Parliament at the Bombay Stock Exchange (BSE) in Mumbai on Feb 1. India is to halve the basic rate of income tax to five percent, Jaitley announced on Wednesday in his annual budget. (AFP)

investment funds

Funds	Fund Manager	Valuation	Valued date	Currency	Net Asset Value (NAV)	Prev NAV	Prev NAV Dated
National Bank of Kuwait							
Money Market Funds	Watani KD Money Market Fund	NBK Global Asset Management Co. Ltd.	Weekly	Oct 4, 2016	KD 1.408	1.407	Sept 27, 2016
	Watani KD Money Market Fund II	NBK Capital	Weekly	Nov 29, 2016	KD 1.021	1.020	Nov 22, 2016
	Watani KD Money Market Fund (Islamic)	NBK Global Asset Management Co. Ltd.	Weekly	Oct 4, 2016	KD 1.184	1.184	Sept 27, 2016
	Watani Foreign Currency Money Mkt Fund	NBK Global Asset Management Co. Ltd.	Weekly	Oct 4, 2016	USD 1.314	1.314	Sept 27, 2016
	Watani Foreign Currency Money Mkt Fund (Euro)	NBK Global Asset Management Co. Ltd.	Weekly	Oct 4, 2016	Euro 1.246	1.246	Sept 27, 2016
	Watani USD Money Market Fund (Acc to Islamic Shariah principles)	NBK Global Asset Management Co. Ltd.	Weekly	Oct 4, 2016	USD 1.102	1.101	Sept 27, 2016
	Watani USD Money Market Fund (Acc to Islamic Shariah principles) II	NBK Global Asset Management Co. Ltd.	Weekly	Oct 4, 2016	USD 10.041	10.041	Sept 27, 2016
	Watani USD Money Market Fund	NBK Global Asset Management Co. Ltd.	Weekly	Nov 22, 2016	USD 10.160	10.160	Oct 18, 2016
	Watani KD Money Market Fund (Acc to Islamic Shariah principles) II	NBK Global Asset Management Co. Ltd.	Weekly	Nov 22, 2016	KD 1.019	1.018	Oct 18, 2016
Equity Funds	NBK Gulf Equity Fund	NBK Capital	Weekly	Oct 13, 2016	USD 1.193	1.189	Oct 6, 2016
	NBK Kuwait Equity Fund	NBK Capital	Weekly	Nov 17, 2016	KD 0.684	0.566	Oct 16, 2016
	NBK Qatar Equity Fund	NBK Capital	Weekly	Oct 13, 2016	USD 1.641	1.636	Oct 6, 2016
	Gulf Equity Investment Fund	NBK Capital	Weekly	April 7, 2016	USD 9.995		
Ijara Fund	Thahabi Ijara Fund VI	Wafra Capital Partners LP Cayman Islands	Monthly	April 30, 2016	USD 10.000	10.000	Feb 29, 2016
	Thahabi Ijara Fund VII	Wafra Capital Partners LP Cayman Islands	Monthly	April 30, 2016	USD 10.000	10.000	Feb 29, 2016
	Islamic KD Ijara Fund II	Wafra Capital Partners LP Cayman Islands	Monthly	May 31, 2016	KD 10.000	10.000	March 31, 2016
	Islamic KD Ijara Fund III	Wafra Capital Partners LP Cayman Islands	Monthly	May 31, 2016	KD 10.000	10.000	Feb 29, 2016
	Islamic KD Ijara Fund IV	Wafra Capital Partners LP Cayman Islands	Monthly	May 31, 2016	KD 10.000	10.000	March 31, 2016
	Islamic KD Ijara Fund V	Wafra Capital Partners LP Cayman Islands	Monthly	May 31, 2016	USD 10.000	10.000	March 31, 2016
	Islamic Equipment Leasing Fund I	Wafra Capital Partners LP Cayman Islands	Monthly	June 30, 2016	USD 10.000	10.000	April 30, 2016
	Islamic Equipment Leasing Fund II	Wafra Capital Partners LP Cayman Islands	Monthly	June 30, 2016	USD 10.000	10.000	April 30, 2016
	Islamic Equipment Leasing Fund III	Wafra Capital Partners LP Cayman Islands	Monthly	July 31, 2016	USD 10.000	10.000	May 31, 2016
	Islamic Equipment Leasing Fund IV	Wafra Capital Partners LP Cayman Islands	Monthly	June 30, 2016	USD 10.000	10.000	May 31, 2016
	Islamic Equipment Leasing Fund V	Wafra Capital Partners LP Cayman Islands	Monthly	July 31, 2016	USD 10.000	10.000	May 31, 2016
	Islamic Equipment Leasing Fund VI	Wafra Capital Partners LP Cayman Islands	Monthly	July 31, 2016	USD 10.000	10.000	May 31, 2016
	Islamic Equipment Leasing Fund VII	Wafra Capital Partners LP Cayman Islands	Monthly	July 31, 2016	USD 10.000	10.000	May 31, 2016
	Islamic Equipment Leasing Fund I Ltd	Wafra Capital Partners LP Cayman Islands	Monthly	June 30, 2016	USD 10.000	10.000	May 31, 2016
Multi Asset Funds	Thahabi Multi Asset Fund - Con Portfolio	Frontier Capital Management (Jersey) Ltd	Monthly	June 30, 2016	USD 96.164	95.710	April 30, 2016
	Thahabi Multi Asset Fund - Mo Portfolio	Frontier Capital Management (Jersey) Ltd	Monthly	June 30, 2016	USD 88.490	87.790	April 30, 2016
Gulf Bank							
	Al Basha'er GCC Equity Fund	Kwt. Fin. & Inv. Co. & Gulf Fin. House	Monthly	Nov 30, 2016	USD 6.626	6.206	Oct 30, 2016
	Coast Fund	Coast Investment & Dev. Co.	Monthly	Dec 30, 2016	KD 0.615	0.606	Nov 30, 2016
	Sanaya Dow Jones Kuwait Index Fund	Industrial & Financial Investment Co.	Weekly	Dec 29, 2016	KD 0.561	0.563	Nov 24, 2016
	Markaz Capital Preservation Program 1		Monthly	Dec 31, 2016	KD 0.917	0.916	Nov 30, 2016
	Markaz Capital Preservation Program 2		Monthly	Dec 31, 2016	KD 0.940	0.938	Nov 30, 2016
	Markaz Gulf Real Estate Fund		Bi-annual	Dec 31, 2016	KD 1.420	1.421	Nov 30, 2016
Al Ahli Bank							
	Al Ahli Gulf Fund	Al Ahli Bank	Monthly	Dec 31, 2016	KD 0.890	0.875	Nov 30, 2016
	Al Ahli Kuwaiti Fund	Al Ahli Bank	Monthly	Dec 31, 2016	KD 0.760	0.750	Nov 30, 2016
Burgan Bank							
	Burgan Equity Fund	Burgan Bank	Monthly	Dec 31, 2016	KD 1.698	1.627	Nov 27, 2016
Boubyan Bank							
	Boubyan KD Money Market Fund	Boubyan Bank	Weekly	Dec 27, 2016	KD 1.060	1.059	Nov 29, 2016
	Boubyan KD Money Market Fund II	Boubyan Bank	Weekly	Dec 27, 2016	KD 1.004	1.003	Nov 29, 2016
Boubyan Capital Investment Co.							
	Boubyan USD Liquidity Fund	Boubyan Capital Investment Co	Dec 27, 2016	USD 10.170	10.000	Nov 29, 2016	
	Boubyan Kuwait Real Estate Fund	Boubyan Capital Investment Co	Dec 31, 2016	KD 1.020	1.020	Sept 30, 2015	
Kuwait Investment Co.							
Local Fund	Al Raed Fund	Kuwait Investment Co	Weekly	Jan 31, 2017	KD 0.892	1.009	Jan 26, 2017
	Kuwait Investment Fund	Kuwait Investment Co	Weekly	Dec 30, 2016	KD 0.629	0.607	Nov 30, 2016
	Al Hilal Fund	Kuwait Investment Co	Monthly	Jan 30, 2017	KD 0.541	0.541	Jan 23, 2017
	Al Atheer Fund	Kuwait Investment Co	Weekly	Dec 31, 2016	KD 1.098	1.076	Nov 30, 2016
International	Global Bond Fund	Kuwait Investment Co	Weekly	Dec 28, 2016	USD 23.770	23.760	Dec 21, 2016
	Diversified Fund	Kuwait Investment Co	Weekly	Jan 25, 2017	USD 16.040	17.900	Jan 18, 2017
	European Fund	Kuwait Investment Co	Weekly	Dec 30, 2016	Euro 19.820	19.120	Nov 30, 2016
	Pacific Equity Fund	Kuwait Investment Co	Weekly	Jan 25, 2017	USD 28.260	27.920	Jan 18, 2017
	North American Equity Fund	Kuwait Investment Co	Tw. Monthly	Dec 30, 2016	USD 17.150	17.120	Nov 30, 2016
National Investment Co. (NIC)							
	Al-Wataniya Fund	NIC	Monthly	Dec 31, 2016	KD 0.560	0.547	Nov 30, 2016
	Al-Daraj Fund	NIC	Monthly	Dec 31, 2016	KD 0.340	0.334	Nov 30, 2016
	Mawarif Fund	NIC	Monthly	Dec 31, 2016	KD 0.520	0.528	Nov 30, 2016
	Zajil Fund	NIC	Monthly	Dec 31, 2016	KD 0.730</		