

## BUSINESS

## shares in ad giant WPP fall

Shares in WPP, the world's biggest advertising company, have fallen as much as 5.6 percent amid speculation it will be broken up after the resignation of CEO Martin Sorrell. Sorrell, who built WPP into a conglomerate during his 33 years at the helm, stepped down after an investigation into allegations he misused company assets. He denies any wrongdoing. Liberum analyst Ian Whittaker says Sorrell was the "glue that bound much of WPP together," and the company may now look to sell its market research and PR divisions. He says there'll also be speculation about whether WPP will sell stakes in associated businesses, as it did with its ownership in Japanese ad firm Asastu-DK. (AP)

Name: Kuwait Sharia

Compatible Indices

Providers: Al Madar Finance &amp; Investment Co.

Description: Index of Sharia

compatible companies traded

on the KSE

Website: www.almadar-fi.com

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	164.34	164.30	0.02%	-0.46%	-6.15%	-1.84%	-8.20%	6.47%
Kuwait Sharia Compatible Index - Kuwait Only	AMIC	159.38	159.28	0.06%	-0.38%	-6.09%	-1.56%	-6.67%	6.32%
Kuwait Sharia Compatible Index - Active	AMIC	68.61	69.30	-0.99%	-1.86%	-16.19%	-7.72%	-31.83%	-2.34%
Kuwait Sharia Compatible Index - Banking Sector	AMIC	282.39	280.59	0.64%	0.76%	-2.58%	1.53%	1.47%	11.02%
Kuwait Sharia Compatible Index - Investment Sector	AMIC	41.82	41.42	0.97%	-0.36%	-16.82%	-12.56%	-28.23%	-7.61%
Kuwait Sharia Compatible Index - Insurance Sector	AMIC	15.10	15.10	0.00%	-0.67%	-27.00%	-30.45%	-36.36%	-15.38%
Kuwait Sharia Compatible Index - Real Estate Sector	AMIC	48.48	48.67	-0.39%	-1.83%	-0.77%	2.20%	-7.20%	2.22%
Kuwait Sharia Compatible Index - Industrial Sector	AMIC	154.72	153.51	0.79%	2.31%	0.85%	6.22%	2.50%	26.34%
Kuwait Sharia Compatible Index - Services Sector	AMIC	205.00	206.22	-0.59%	-1.83%	-10.77%	-6.38%	-2.78%	18.15%
Kuwait Sharia Compatible Index - Food Sector	AMIC	136.77	133.03	2.81%	1.82%	-15.51%	-20.19%	-61.76%	-63.76%
Kuwait Sharia Compatible Index - Islamic Sector	AMIC	134.61	134.41	0.15%	0.27%	-3.78%	0.10%	-3.49%	13.52%
Kuwait Sharia Compatible Index - Non Kuwait Sector	AMIC	334.62	337.50	-0.85%	-1.38%	-17.26%	-12.59%	-34.95%	12.91%
S&P 500	SPX	2,656.30	2,656.30	0.00%	1.99%	-4.66%	-1.16%	14.06%	27.54%
DJ Islamic Index	DJIM	3,650.01	3,653.84	-0.10%	1.99%	-3.87%	0.36%	17.71%	27.66%

## Credit declined amid Beijing battle against financial risks

## China Q1 GDP growth seen easing slightly as trade tensions mount

BEIJING, April 16, (RTRS): China likely carried most of its strong economic momentum from last year into the first quarter of 2018, with government crackdowns on financial risks and industrial pollution dragging less on activity than earlier expected, a Reuters poll showed.

Beijing is looking to keep the economic balancing act intact even as it faces rising trade tensions with its largest trading partner, the United States, that could impact billions of dollars in cross-border trade.

A poll of 60 economists showed growth in gross domestic product likely eased marginally to 6.7 percent in the first quarter from a year earlier, compared with the 6.8 percent clip in the previous two quarters.

The consensus forecast indicates growth remained comfortably above the government's target of around 6.5 percent for the full year, which could give policymakers more confidence to step up efforts to reduce risks in the financial system and clean up the environment.

China's economic data so far this year has pointed to steady if slightly slower growth from 2017, with factory output holding up despite smog controls and consumer spending still relatively resilient. Central bank governor Yi Gang said on Thursday that first quarter economic data has so far been slightly better than expected.

China will release first quarter GDP on Tuesday, along with March industrial output, retail sales, property sales and investment, and fixed asset investment data.

Economists in the poll estimated GDP grew 1.5 percent quarter-on-quarter, easing from 1.6 percent in the fourth quarter, though only 15 analysts gave sequential forecasts.

Data on Friday showed export growth slowed in the first quarter in yuan terms, indicating overseas demand may not provide the same boost to overall GDP as it did last year, when the economy posted its first pick-up in growth since 2010.

Analysts say the main risk to China's economy is now centred on the escalating trade dispute with the United States.

Washington and Beijing have threatened tit-for-tat tariffs in recent weeks, stemming from US accusations of unfair Chinese trade practices.

But no hard timeline has been set by either side for implementation, offering hope of a compromise that would reduce the fallout for both sides and collateral damage for other trade-reliant Asian economies plugged into China's supply chains.

"Both the choice of Section 301 and the number of products included in the list under investigation point to the US protectionist wind against China being very different, and frankly much more worrisome, than past ones," Alicia Garcia Herrero, chief economist for Asia Pacific at Natixis, said in a note on Monday.

## Auto rebound gives US retail a bounce in March

Higher spending could support GDP growth in Q1

WASHINGTON, United States, April 16, (AFP): Auto sales surged in March, sending the US retail sector higher for the first time in four months, helped by increased spending in other areas, according to government data released on Monday.

Consumers snapped up electronics, shopped online and frequented bars and restaurants, but sales sagged at department stores, gas stations and clothing outlets, according to the Commerce Department report.

The higher spending could support GDP growth in the first quarter, which is expected to be sluggish.

Retail spending in the world's largest economy gained 0.6 per cent for the month, rising to US\$494.6 billion, overshooting economists' expectations and marking the biggest gain since November.

The result put sales up 4.5 per cent over the same month last year, pointing to a trend of steady overall increases.



In this file photo taken on Jan 11, 2016 Chevrolet unveils the new 2017 Cruze Hatchback during their press conference at the 2016 North American International Auto Show in Detroit, Michigan. (AFP)

Auto sales gained two per cent, the biggest increase in six months.

Excluding the volatile auto sector, sales were up 0.2 per cent, matching an analyst forecast and the same increase recorded in February. Excluding both autos and gasoline, sales rose 0.3 per cent.

Personal consumption and retail spending had disappointed analysts in recent months, feeding expectations the US economy will see slower growth in the first quarter of the

year.

Sales at home furnishing stores rose 0.7 per cent, and were up 0.5 per cent at electronics stores. Bars and restaurants gained 0.4 per cent.

Non-store retailers like Amazon continued to gain, rising 0.8 per cent for the month, putting them up nearly 10 per cent over March of last year.

But department stores fell 0.3 per cent, continuing a long-running decline.

## In race for 5G, China leads South Korea, US: study

WASHINGTON, United States, April 16, (AFP): China is slightly ahead of South Korea and the United States in the race to develop fifth generation wireless networks, or 5G, a US study showed Monday.

The study released by the CTIA, a US-based industry association of wireless carriers, suggested that the United States is lagging in the effort to deploy the superfast wireless systems that will be needed for self-driving cars, telemedicine and other technologies.

The report prepared by the research firm Analysys Mason found that all major Chinese providers have committed to specific launch dates and the government has committed to allocate spectrum for the carriers.

The 10-nation study said the US

is in the "first tier" of countries in preparing deployment of 5G, along with China, South Korea and Japan. In the second tier are key European markets including France, Germany and Britain, with Singapore, Russia and Canada in the third tier.

Industry officials say 5G deployment will reap important economic benefits for the leaders, and that lagging could have negative effects.

"The United States will not get a second chance to win the global 5G race," said Meredith Attwell Baker, CTIA president and chief executive. "I'm confident that America can win and reap the significant economic benefits of 5G wireless due to our world-leading commercial investments."

Baker said the US still needs

to enact measures to reform local zoning rules and unlock access to spectrum as part of a broader plan for 5G.

"I'm optimistic we will leapfrog China because key leaders in the administration, on Capitol Hill, and at the FCC (Federal Communications Commission) are focused on the reforms needed to win the race."

According to the study, Europe led that way in 2G, the second generation, while Japan was ahead in 3G and the United States in 4G.

The first commercial 5G roll-outs began this year and next in the United States, Korea and Japan, and the wireless industry is counting on the new technology to trigger a wave of growth in equipment sales and mobile services.

## Exporters rushing shipments

## Chinese cos scramble to cope with Trump's tariff

BEIJING, April 16, (AP): Facing a possible US tariff hike, one of China's biggest ball bearing makers, Cixin Group, is weighing plans to rush shipments to American customers before the increase makes its sales unprofitable.

The company in the eastern city of Ningbo is among exporters of goods from motorcycle parts to electronics that are scrambling to cope with President Donald Trump's higher duties by shipping early, raising prices or finding new markets.

The 25 percent increase would turn Cixin's profits to losses in the US market, which takes 30 percent of its exports, according to Wang Liqiang, a company manager.

"We are considering manufacturing as many ball bearings as possible for the US market before the imposition of tariffs," said Wang. "We can do it by working overtime."

Some companies are looking at ways to hide their Chinese origin by shipping goods through other countries.

"Maybe customers will buy from South America, and then South America sells to the US," said Yvonne Yuan, a sales manager for Shenzhen Tianya Lighting Co, a manufacturer of LED bulbs.

Trump says higher duties on \$50 billion of Chinese goods are meant to punish Beijing for stealing or pressuring foreign companies to hand over foreign technology.

## Benefit

The plan targets goods US officials say benefit from improper Chinese policies including machinery, industrial components and aerospace, telecoms and other technology.

Trump left time to negotiate. A public comment period runs through May 11, with a hearing scheduled May 15.

Economists and Chinese officials say the tariff hike's overall impact on China should be limited. But for exporters that depend on the US market, the potential costs are alarming.

Knock-on effects could greatly increase the impact, Moody's Investors Service researchers said in a report. It said that Chinese manufacturers that supply inputs to targeted sectors would see reduced demand and more pricing pressure, spreading the effects of tariffs deeper into the Chinese economy.

Manufacturing and processing of metals and metal products, as the key input sectors for technology-product manufacturing, would be hurt the most.

Chinese exporters supply most of the world's mobile phones, personal computers, televisions, toys and other light manufactured goods from thousands of factories.

They are flexible and resourceful but many are struggling with higher costs and slowing demand. China's total exports last year rose 7.9 percent, down from the heady double-digit rates of the past decade.

## Important

The United States buys about 20 percent of China's exports. But Americans are especially important to exporters because they buy electronics and other high-value goods, including many targeted by Trump's tariffs.

Some exporters already are reeling from previous US tariff increases of up to 500 percent on washing machines, solar modules and some metal products, meant to offset what the Trump administration says are improper subsidies that allow them to sell at unfairly low prices.

Others are confident American customers cannot do without them.

Makers of motorcycle components plan to use that leverage to ask buyers to split the cost if tariffs rise, said Pan Jianle, an official of the Motorcycle Parts Association in Wenzhou. She said they export worldwide but the United States is their No. 1 market.

"The US motorcycle parts industry relies heavily on China," said Pan. "It is difficult for US customers to find products with good quality and value for money from other places."

Such a politically charged conflict has left companies and local Chinese officials jumpy.

Pan declined to provide the value of exports of motorcycle components to the United States. A few hours later, the Wenzhou city government's foreign affairs office called AP to ask about its interviews.

Electronics manufacturers also plan to ask buyers to share higher costs, said Li Zengyong, secretary general of the local manufacturing chamber of commerce in the eastern city of Zibo in Shandong province.

## investment funds

Funds	Fund Manager	Valuation	Valued date	Currency	Net Asset Value (NAV)	Prev NAV	Prev NAV Dated
<b>National Bank of Kuwait</b>							
Money Market Funds	Watani KD Money Market Fund II	NBK Capital	Weekly	April 10, 2018	KD	1.040	1.039
	Watani USD Money Market Fund	NBK Global Asset Management Co. Ltd.	Weekly	April 10, 2018	USD	10.321	10.380
	Watani KD Money Market Fund (Acc to Islamic Shariah principles) II	NBK Global Asset Management Co. Ltd.	Weekly	April 10, 2018	KD	1.038	1.031
	Watani USD Money Market Fund (Acc to Islamic Shariah principles) II	NBK Global Asset Management Co. Ltd.	Weekly	April 10, 2018	USD	10.160	10.158
	NBK Kuwait Equity Fund	Watani Investment Co.	Weekly	April 5, 2018	KD	0.657	0.674
	Gulf Equity Investment Fund	Watani Investment Co.	Weekly	April 5, 2018	USD	12.160	12.050
	Regional Bond and Sukuk Investment Fund	NBK Capital	Weekly	April 5, 2018	USD	7.873	9.858
<b>Gulf Bank</b>							
	Al Basha'er GCC Equity Fund	Kw. Fin. & Inv. Co. & Gulf Fin. House	Monthly	Feb 28, 2018	USD	7.071	7.246
	Coast Fund	Coast Investment & Dev. Co.	Monthly	Jan 31, 2018	KD	0.861	0.846
	Markaz Real Estate Fund		Bi-annual	March 31, 2018	KD	1.375	1.374
<b>Al Ahli Bank</b>							
	Al Ahli Gulf Fund	Al Ahli Bank	Monthly	Feb 28, 2018	KD	0.924	0.933
	Al Ahli Kuwait Fund	Al Ahli Bank	Monthly	March 31, 2018	KD	0.964	0.849
<b>Burgan Bank</b>							
	Burgan Equity Fund	Burgan Bank	Monthly	Feb 28, 2018	KD	1.872	1.842
<b>Boubyan Bank</b>							
	Boubyan KD Money Market Fund	Boubyan Bank	Weekly	April 3, 2018	KD	1.074	1.074
	Boubyan KD Money Market Fund II	Boubyan Bank	Weekly	April 3, 2018	KD	1.022	1.022
<b>Boubyan Capital Investment Co.</b>							
	Boubyan USD Liquidity Fund	Boubyan Capital Investment Co		April 3, 2018	USD	10.313	10.308
	Boubyan Multi-Asset Holding Fund	Boubyan Bank		Jan 30, 2018	USD	10.975	10.980
<b>Kuwait Investment Co.</b>							
Local Fund	Al Raed Fund	Kuwait Investment Co	Weekly	March 31, 2018	KD	1.069	1.049
	Kuwait Investment Fund	Kuwait Investment Co	Weekly	March 31, 2018	KD	0.764	0.758
	Al Hial Fund	Kuwait Investment Co	Monthly	April 2, 2018	KD	0.704	0.704
	Al Atheer Fund	Kuwait Investment Co	Weekly	March 31, 2018	KD	1.057	1.016
International	Global Bond Fund	Kuwait Investment Co	Weekly	March 21, 2018	USD	26.270	26.350
	Diversified Fund	Kuwait Investment Co	Weekly	March 21, 2018	USD	20.890	21.060
	European Fund	Kuwait Investment Co	Weekly	Feb 28, 2018	Euro	21.050	21.720
	Pacific Equity Fund	Kuwait Investment Co	Weekly	March 21, 2018	USD	33.440	33.210
	North American Equity Fund	Kuwait Investment Co	Tw. Monthly	Feb 28, 2018	USD	19.540	19.610
<b>National Investment Co. (NIC)</b>							
	Al-Wataniya Fund	NIC	Monthly	March 31, 2018	KD	0.640	0.635
	Al-Darj Fund	NIC	Monthly	March 31, 2018	KD	0.358	0.356
	Mawarid Fund	NIC	Monthly	March 31, 2018	KD	0.492	0.463
	Zajil Fund	NIC	Monthly	March 31, 2018	KD	0.771	0.754
	Al Mada Investment Fund	NIC	Weekly	March 31, 2018	USD	0.812	0.785
<b>Kuwait Financial Centre (Markaz)</b>							
	Mumtaz Fund	Kuwait Financial Center	Weekly	March 22, 2018	KD	4.179	4.180
	MIDAF	Kuwait Financial Center	Weekly	March 22, 2018	KD	3.219	3.207
	Islamic Fund	Kuwait Financial Center	Weekly	March 22, 2018	KD	1.580	1.586
	FORSA Financial Fund	Kuwait Financial Center	Monthly	Dec 31, 2017	KD	0.987	0.996
	Real Estate Fund	Kuwait Financial Center	Monthly	Dec 31, 2017	KD	1.375	1.388
	Markaz Fixed Income Fund	Kuwait Financial Center	Monthly	March 22, 2018	USD	11.630	11.630
	Mawazeen International Fund	Kuwait Financial Center	Weekly	March 26, 2018	USD	9.050	9.140
	Markaz MENA Islamic Fund	Kuwait Financial Center	Weekly	March 15, 2018	USD	11.280	11.020

Funds	Fund Manager	Valuation	Valued date	Currency	Net Asset Value (NAV)	Prev NAV	Prev NAV Dated
<b>Kuwait &amp; Middle East Financial &amp; Inv. Co.</b>							
	Al Rou'yah Fund	KMEFIC	Monthly	Nov 30, 2017	KD	1.359	1.487
<b>Global Investment House</b>							
Index Funds	GCC Large Cap Index Fund	Global	Weekly	April 5, 2018	KD	1.248	1.257
Equity Funds	Al-Mamoun Fund A	Global	Weekly	April 5, 2018	KD	0.656	0.670
	Al-Mamoun Fund B	Global	Weekly	April 5, 2018	KD	0.666	0.670
	GCC Large Cap Fund	Global	Bi-weekly	April 3, 2018	USD	153.480	152.190
	GCC Saudi Equity Fund	Global	Bi-weekly	April 3, 2018	SAR	244.700	239.190
Sectoral Funds	EPADI Fund	Global	Weekly	April 3, 2018	USD	106.060	104.620
Islamic Funds	Global GCC Islamic Fund	Global	Weekly	April 3, 2018	USD	102.030	100.530
	Al-Durra Islamic Fund	Global	Monthly	April 5, 2018	KD	1.246	1.260
<b>Kuwait Finance &amp; Investment Co (KFIC)</b>							
	Al Warm Fund	KFIC	Weekly	April 4, 2018	KD	0.417	0.422
	Al Basha'er GCC Equity Fund	KFIC	Monthly	March 31, 2018	USD	7.179	7.671
<b>KAMCO</b>							
	KAMCO Investment Fund	KAMCO	Monthly	Dec 31, 2017	KD	1.120	1.110
	KAMCO Real Estate Yield Fund	KAMCO	Monthly	Jan 31, 2018	USD	10.060	10.090
<b>Wafra International Investment Co.</b>							
	Wafra Equity Fund	Wafra Co.	Monthly	March 31, 2018	KD	0.945	0.929
	Wafra Bond Fund	Wafra Co.	Monthly	March 31, 2018	KD	1.085	1.088
	Masaref Investment Fund	ISKAN	Weekly	March 31, 2018	KD	0.948	0.906
	Fajir Islamic Fund	Wafra Co.	Monthly	March 31, 2018	KD	0.708	0.705