

EBRD adds India

The European Bank for Reconstruction and Development (EBRD) has added India to its growing list of members, it said on Tuesday, its latest move to harness increasing emerging market spending power two years after China joined the bank.

India becomes the 69th shareholder of the EBRD, which has expanded its reach considerably over the last decade.

Set up by governments in 1991 to invest in the ex-communist economies of eastern Europe, it now operates in more than 35 countries from Morocco to Mongolia. (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	March 6, 2018	170.18	170.96	-0.46%	-0.35%	4.26%	1.65%	-8.44%	11.83%
Kuwait Sharia Compatible Index - Kuwait Only	AMIC	March 6, 2018	164.54	165.20	-0.40%	-0.41%	4.39%	1.62%	-6.97%	11.07%
Kuwait Sharia Compatible Index - Active	AMIC	March 6, 2018	74.34	74.08	0.35%	0.78%	0.05%	-0.03%	-24.40%	12.27%
Kuwait Sharia Compatible Index - Banking Sector	AMIC	March 6, 2018	287.09	288.02	-0.32%	-0.29%	3.22%	6.28%	-4.62%	11.60%
Kuwait Sharia Compatible Index - Investment Sector	AMIC	March 6, 2018	45.91	45.98	-0.14%	-0.58%	-3.13%	-3.99%	-20.30%	7.10%
Kuwait Sharia Compatible Index - Insurance Sector	AMIC	March 6, 2018	18.78	18.38	2.17%	2.92%	-13.08%	-13.47%	-18.47%	16.95%
Kuwait Sharia Compatible Index - Real Estate Sector	AMIC	March 6, 2018	51.20	51.37	-0.33%	-0.61%	8.68%	7.95%	-3.90%	8.69%
Kuwait Sharia Compatible Index - Industrial Sector	AMIC	March 6, 2018	146.70	146.76	-0.04%	-0.33%	3.91%	0.71%	-2.16%	24.88%
Kuwait Sharia Compatible Index - Services Sector	AMIC	March 6, 2018	218.21	219.28	-0.49%	-0.85%	3.85%	0.35%	3.14%	24.85%
Kuwait Sharia Compatible Index - Food Sector	AMIC	March 6, 2018	164.94	164.81	0.08%	1.81%	-6.42%	-3.75%	-57.15%	-49.12%
Kuwait Sharia Compatible Index - Islamic Sector	AMIC	March 6, 2018	138.98	139.68	-0.49%	0.17%	6.08%	3.35%	-6.59%	17.66%
Kuwait Sharia Compatible Index - Non Kuwaiti Sector	AMIC	March 6, 2018	368.98	369.89	-2.95%	4.58%	-6.53%	-6.23%	-34.99%	31.55%
Kuwait Stock Exchange Index - Price	KWSEIDX	March 6, 2018	6,805.74	6,805.91	0.00%	0.52%	9.83%	6.21%	0.81%	29.78%
S&P 500	SPX	March 5, 2018	2,720.94	2,691.25	1.10%	-2.11%	3.47%	1.24%	14.18%	36.05%
DJ Islamic Index	DJIM	March 5, 2018	3,672.98	3,630.32	1.18%	-1.95%	3.02%	0.99%	18.67%	35.43%

Investigators yet to receive all papers, loan guarantees allegedly issued by rogue employees of the bank

India's PNB bank fraud likely to swell beyond \$2bn mark

MUMBAI, March 6, (RTRS): The extent of the unravelling fraud at India's state-run Punjab National Bank could rise beyond the nearly \$2 billion mark so far outlined by the lender, according to a source involved in the probe and court documents reviewed by Reuters.

The source, who asked not to be named, said investigators had not yet recovered all the papers and loan guarantees allegedly issued by rogue employees of the bank, and consequently believed the bank's exposure could be greater than revealed so far.

In what has been dubbed the biggest fraud in India's banking history, Punjab National Bank (PNB) and police have accused two jewellery groups — one controlled by diamond tycoon Nirav Modi and the other by his uncle Mehul Choksi — of colluding with bank employees to get credit from overseas banks using fraudulent guarantees.

Both Choksi and Modi have denied the allegations and lawyers for the two key accused PNB employees in the case have also said they are innocent.

According to court filings, the exposure to three companies controlled by Modi has been estimated at 64.98 billion rupees (\$1 billion), while firms controlled by Choksi have been accused of defrauding the bank of 61.38 billion rupees.

India's federal police, the Central Bureau of Investigation (CBI), has told a Mumbai court that the amount involving Modi's companies was likely to go up, according to the source and court filings, copies of which have been reviewed by Reuters.

The CBI told the court that its investigation had found that the fraudulent issuance of letters of undertaking (LoUs), or guarantees, through a Mumbai branch of the bank had been going on since 2010.

In papers filed on Monday, the CBI also said PNB did not have all the documents related to the LoUs, since those were returned to the borrower.

"Most of these documents are not yet recovered. The size of the fraud has now gone (up) ... and the same is likely to go even higher," the CBI said in the court filing.

Weak wage growth keeps Australia 'rates' on hold

Inflation below target: central bank

SYDNEY, March 6, (AFP): Australia's central bank kept interest rates at a record low Tuesday in a widely expected decision with wages growth still weak and inflation below target.

The Reserve Bank of Australia has not adjusted rates since

August 2016, following a series of cuts from November 2011 that took it to 1.50 percent in a bid to boost non-mining sectors of the economy.

Governor Philip Lowe said in a statement that current monetary policy was "consistent with sustainable growth in the economy and achieving the inflation target over time".

The move was widely tipped, with weak wages growth, below target inflation, and a still too high Australian dollar, despite solid business conditions and jobs growth.

"The low level of interest rates is continuing to support the Australian economy," Lowe said.

"Further progress in reducing unemployment and having inflation return to target is expected, although this progress is likely to be gradual."

Underlying or core inflation — which strips out volatile items and is closely watched by the central bank — is at an annual 1.9 percent, just below the RBA's target band of 2.0-3.0 percent.

The decision to stay put came ahead of quarterly growth data due Wednesday, which will give the Reserve Bank board a better guide on the economy's well-being.

Analysts expect expansion of around 0.5 percent in October-December, for an annual rate of 2.5 percent — in line with the Reserve Bank's most recent forecast.

The Australian dollar dipped from 77.85 US cents before Tuesday's rate announcement to 77.80 US cents shortly after.

Lowe remains concerned about its continued strength, due to weakness in the US dollar.

China's growth target can be met, says top planner

BEIJING, March 6, (AP): China's top economic planner expressed confidence Tuesday that stronger consumer spending will help the country meet a 6.5 percent growth target that is little changed from last year despite efforts to promote more sustainable, energy-efficient activity.

Efforts to promote domestic consumption and reduce reliance on trade and investment are making progress, and consumption could account for more than 60 percent of growth this year, He Lifeng, chairman of the National Development and Reform Commission, said at a news conference. That would be up from last year's 58.8 percent.

The 6.5 percent growth target announced Monday would be among the world's highest if achieved.

"It is in line with expectations and objectively can be realized through hard work," He said at the news conference,

held during the meeting of China's ceremonial legislature.

Private sector analysts say the decision to set a target again this year indicates Chinese leaders still are concerned with the total growth figure despite saying they want to switch to other indicators such as job creation and income growth. Some suggested hitting this year's target might require Beijing to pump up activity by easing bank lending, which would set back reform efforts.

The world's second-largest economy grew 6.9 percent last year — above the official target of "6.5 percent or higher" — but that was due partly to a boom in lending and real estate sales that regulators are trying to cool due to fears of rising debt. "The government still set a growth target for 2018 despite the rhetoric about moving away from the speed of growth to quality of growth," UBS economists said in a report.

Resignation a new blow to reputation of Japan Inc

Kobe Steel CEO quits after fake data scandal

TOKYO, March 6, (AFP): The head of scandal-hit Japanese steelmaker Kobe Steel announced his resignation on Tuesday after the firm submitted false strength and quality data for products shipped to hundreds of clients worldwide.

Hiroya Kawasaki's resignation was a new blow to the reputation of Japan Inc after similar quality-control scandals hit industrial titans ranging from carmaker Nissan to Mitsubishi Materials.

Following a deep and prolonged bow

in apology, Kawasaki told reporters: "As I think it's best to go ahead quickly with reforms under new members, I ... will step down from president on April 1 this year." "We have caused trouble to many people. As soon as we can, we would like as many people as possible to think that Kobe Steel has changed," added Kawasaki, who had been in the job since 2013.

"I'm really sorry." The firm has not yet named a successor but pledged to hold a board meeting

"in the near future" to select someone to turn the ship around.

A long-awaited report revealed that the scandal was more widespread than first thought, with 163 more clients affected than initially identified.

The document drew the veil on a web of falsification at various levels of the company, a venerable old firm that once employed Prime Minister Shinzo Abe.

"We take it very seriously the fact that the misconduct took place at many locations within the Kobe Steel group," the

report said.

The investigation found staff — including in some cases executives — changed inspection data, or made up data, before shipping their products.

Kobe Steel has "deep-seated issues" relating to its corporate culture and compliance, the report admitted.

"For over 112 years since its founding, the Kobe Steel group has managed its business by valuing the trust of its customers ... The recent loss of such trust is truly regrettable," added the report.

More lawmakers calling for clarity

Kuroda navigating the long 'road' toward stimulus exit

TOKYO, March 6, (RTRS): When Bank of Japan Governor Haruhiko Kuroda spooked markets last week with talk of winding down the bank's crisis-mode stimulus, he was describing a goal on the distant horizon — not warning of an imminent shift, say sources familiar with his thinking.

But they say starting discussion of an exit from ultra-loose policy is seen as crucial given the rising cost of easing and the need to give Japanese policymakers some ammunition in case there is another crisis.

Kuroda's comments — and those of a future deputy — show how the central bank is softening up investor opinion in advance of what will be one of the priorities of his second term as bank governor.

"It's a tricky process that could take years," said one of the sources familiar with the central bank's thinking. "The timing of an actual lift-off really depends on how inflation performs."

To underscore that the central bank is in no rush to dial back stimulus, Kuroda said his top priority would be to meet his 2 percent inflation target, noting that current inflation, at 0.9 percent in January, remained far from that goal.

The bank must also balance how its moves will be viewed domestically versus globally.

Japanese investors saw Kuroda's remarks as stating the obvious and barely reacted. Overseas investors reacted more strongly, selling bonds and buying yen as they speculated stimulus would end sooner rather than later.

The Bank of Japan is already well into what analysts call "stealth tapering" as it slows annual bond buying to nearly half the pace it loosely pledges.

"The biggest challenge Kuroda faces in his second term is how to unwind the unconventional steps he took in the first five years," said Takahide Kiuchi, who served at the BOJ board until July.

The yen and Japanese bond yields spiked on Friday when Kuroda told parliament there was "no doubt" the BOJ would "consider and debate" an exit if inflation hits his target during the fiscal year that runs from April 2019 to March 2020.

Masayoshi Amamiya, slated to become one of Kuroda's two deputies this month, echoed those comments on Monday.

"If the time comes, we're quite capable technically to gradually and

stably adjust interest rates while ensuring markets remain stable," he told parliament during a confirmation hearing.

The sources warn against reading too much into those remarks, noting that the threshold for even debating an exit remains high.

Although the central bank's board predicts inflation will hit 2 percent during fiscal 2019, a Reuters poll showed market economists expect inflation to stay at half that level.

Fears of triggering an unwelcome yen rise that could dent Japan's export-reliant recovery will also shape how the bank discusses an exit strategy.

"If inflation indeed reaches 2 percent, it's feasible to at least debate an exit. That's different from saying the BOJ will proceed with an exit immediately," said a second source who, like the others interviewed for this article, declined to be identified because he was not authorised to speak to the media.

But waiting too long could leave the Bank of Japan with few tools to deal with a future recession.

After three years of heavy asset buying failed to ignite inflation, the bank in 2016 revamped its policy framework to focus on interest rates. The result was short-term rates below zero, at minus 0.1 percent, and a 10-year government bond yield around zero percent.

The central bank still buys bonds at an annual pace of roughly 50 trillion yen (\$471.56 billion). It has scooped up 40 percent of the 980 trillion yen Japanese government bond market, roughly the same percentage held by private Japanese banks.

But inflation has remained stubbornly low.

Among the few remaining options would be a further rate cut, though many analysts say such a step would do little to spur growth and could backfire by hurting already-thin bank margins.

"Financial institutions are seeing their profits hit, so the BOJ should abandon negative rates," opposition lawmaker Akio Fukuda told Amamiya in the confirmation hearing on Monday. "I fear we'll face a terrible situation unless the BOJ heads toward an exit quickly."

Kuroda said last week the bank's future policy would take into account growing calls from the public for a credible exit strategy and the impact of its policy on the country's banking system.

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 II	NBK Capital	Weekly	Feb 27, 2018	KD	1.038	1.037
	Watani USD Money Market Fund	NBK Global Asset Management Co. Ltd.	Weekly	Feb 27, 2018	USD	10.302	10.300
	Watani KD Money Market Fund (Acc to Islamic Shariah principles) II	NBK Global Asset Management Co. Ltd.	Weekly	Feb 27, 2018	KD	1.036	1.036
	Watani USD Money Market Fund (Acc to Islamic Shariah principles) II	NBK Global Asset Management Co. Ltd.	Weekly	Feb 27, 2018	USD	10.145	10.142
	NBK Kuwait Equity Fund	Watani Investment Co.	Weekly	Feb 22, 2018	KD	0.662	0.659
	Gulf Equity Investment Fund	Watani Investment Co.	Weekly	Feb 22, 2018	USD	11.608	11.559
	Regional Bond and Sukuk Investment Fund	NBK Capital	Weekly	Feb 22, 2018	USD	9.874	9.859
Gulf Bank							
	Al Basha'er GCC Equity Fund	Kwt. 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	0.661	0.646
	Markaz Real Estate Fund		Bi-annual	Feb 28, 2018	KD	1.374	1.376
Al Ahli Bank							
	Al Ahli Gulf Fund	Al Ahli Bank	Monthly	Jan 31, 2018	KD	0.933	0.851
	Al Ahli Kuwaiti Fund	Al Ahli Bank	Monthly	Jan 31, 2018	KD	0.847	0.827
Burgan Bank							
	Burgan Equity Fund	Burgan Bank	Monthly	Jan 2, 2018	KD	1.071	1.117
Boubyan Bank							
	Boubyan KD Money Market Fund	Boubyan Bank	Weekly	Feb 27, 2018	KD	1.072	1.072
	Boubyan KD Money Market Fund II	Boubyan Bank	Weekly	Feb 27, 2018	KD	1.020	1.019
Boubyan Capital Investment Co.							
	Boubyan USD Liquidity Fund	Boubyan Capital Investment Co		Feb 27, 2018	USD	10.300	10.291
	Boubyan Multi-Asset Holding Fund	Boubyan Bank		Jan 30, 2018	USD	10.975	10.980
Kuwait Investment Co.							
Local Fund	Al Raed Fund	Kuwait Investment Co	Weekly	Feb 22, 2018	KD	1.048	1.044
	Kuwait Investment Fund	Kuwait Investment Co	Weekly	Jan 31, 2018	KD	0.756	0.739
	Al Hilal Fund	Kuwait Investment Co	Monthly	Feb 28, 2018	KD	0.704	0.703
	Al Aheer Fund	Kuwait Investment Co	Weekly	Dec 30, 2017	KD	1.009	1.009
International	Global Bond Fund	Kuwait Investment Co	Weekly	Feb 28, 2018	USD	26.380	26.420
	Diversified Fund	Kuwait Investment Co	Weekly	Feb 28, 2018	USD	20.780	20.850
	European Fund	Kuwait Investment Co	Weekly	Jan 31, 2018	Euro	21.720	21.630
	Pacific Equity Fund	Kuwait Investment Co	Weekly	Feb 28, 2018	USD	33.670	33.570
	North American Equity Fund	Kuwait Investment Co	Tw. Monthly	Dec 29, 2017	USD	19.390	19.250
National Investment Co. (NIC)							
	Al-Wataniya Fund	NIC	Monthly	Dec 31, 2017	KD	0.615	0.606
	Al-Darj Fund	NIC	Monthly	Dec 31, 2017	KD	0.351	0.349
	Mawardi Fund	NIC	Monthly	Dec 31, 2017	KD	0.570	0.457
	Zajji Fund	NIC	Monthly	Dec 31, 2017	KD	0.712	0.718
	Al Mada Investment Fund	NIC	Weekly	Dec 31, 2017	USD	0.768	0.771
Kuwait Financial Centre (Markaz)							
	Mumtaz Fund	Kuwait Financial Center	Weekly	Feb 22, 2018	KD	4.177	4.200
	MIDAF	Kuwait Financial Center	Weekly	Feb 22, 2018	KD	3.205	3.221
	Islamic Fund	Kuwait Financial Center	Weekly	Feb 22, 2018	KD	1.585	1.598
	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	Feb 22, 2018	USD	11.610	11.640
	Markaz MENA Islamic Fund	Kuwait Financial Center	Weekly	Feb 22, 2018	USD	11.130	11.070

Funds	Fund Manager	Valuation	Valued date	Currency	Net Asset Value (NAV)	Prev NAV	Prev NAV Dated
Kuwait & Middle East Financial & Inv. Co.							
	Al Rouyah Fund	KMEFIC	Monthly	Nov 30, 2017	KD	1.359	1.487
Global Investment House							
Index Funds	GCC Large Cap Index Fund	Global	Weekly	Feb 8, 2018	KD	1.251	1.279
Equity Funds	Al-Mamoun Fund A	Global	Weekly	Feb 8, 2018	KD	0.676	0.689
	Al-Mamoun Fund B	Global	Weekly	Feb 8, 2018	KD	0.676	0.689
	GCC Large Cap Fund	Global	Bi-weekly	Feb 6, 2018	USD	149.080	153.340
Sectoral Funds	EPADI Fund	Global	Weekly	Feb 6, 2018	SAR	231.940	231.710
Islamic Funds	Global GCC Islamic Fund	Global	Weekly	Feb 6, 2018	USD	98.940	101.390
	Al-Dumra Islamic Fund	Global	Monthly	Feb 8, 2018	KD	1.278	1.303
Kuwait Finance & Investment Co (KFIC)							
	Al Wasim Fund	KFIC	Weekly				