

range	MTD	YTD
%	4.8%	-1.2%
%	2.6%	-9.2%
%	1.0%	-2.0%
%	7.5%	25.9%
%	16.7%	-5.0%
%	1.9%	-0.1%
%	2.5%	8.4%

IIB's total income hits \$1.8 million

MANAMA: Bahrain-based International Investment Bank's (IIB) total income reached \$1.8 million in the first quarter of this year.

This was mainly derived from investment banking fees generated from the structuring, underwriting and placement of new investments, together with profit earned on funds placed with financial institutions.

Total expenses reduced to \$ 2.7m in the period, reflecting the lower business activity as compared to a year ago.

A net loss was incurred of \$900,000 compared to a net profit of \$5.4m earned in the same period last year.

The decrease is mainly attributed to

fewer investment banking transactions and lower profit rates applicable to bank placements as the bank intentionally slowed down its investment activities as a measure of prudence during the current turbulent market situation.

Total assets were \$198.5m at March 31 this year compared to \$218.7m at year-end last year.

The decrease principally arises from the payment this year of last year's dividend and fair value writedowns on several available for sale investments.

Capital adequacy ratio was 86 per cent as at March 31 this year versus the Central Bank of Bahrain's minimum requirement of 12pc, demonstrating IIB's capacity to significantly increase its investment port-

folio in the future from a regulatory capital perspective.

"Trading conditions in 2009 are very challenging for investment banks for two principal reasons," IIB chairman Saad Abdul Jalil Mohammed Al Fahim said.

"Many investors have incurred significant losses during the past 12 months. Their regional and global portfolios have been reluctant to commit to making new investments.

"However, we foresee an improvement in investors' sentiment during the second half of this year.

"Secondly, many regional banks have suspended the provision of Sharia-compliant financing of real estate development and private equity projects.

"During the current difficult global conditions, the bank has adopted the strategies of prudent investing, strict liquidity management and capital preservation.

"IIB's asset position demonstrates core strength with 52% of total assets represented by cash and short-dated murabaha placements with financially sound regional banks with a further 15pc invested in regional listed equities, giving a total liquidity position of 67pc."

"Our strategy has been to restructure and market to clients a range of attractive investment offerings in the manufacturing, financial, energy and real estate sectors in various countries," chief executive and board member Aabed Al Zeer said.

"During 2009, IIB has concluded the sell down of its investment in a sugar refinery to be built in Bahrain.

"The bank's "pipeline" of potential transactions continues to be strong and several deals are being evaluated for product launches expected later in the year.

"Due to the cyclical nature of the bank's operations where revenues are closely linked to completed investment transactions, the performance in the first quarter is not reflective of the expected outcome for the remainder of 2009.

"IIB's balance sheet is strong, evidenced by the fact that it had no borrowings, off-balance sheet commitments nor other exposures during the year."



r.	Close	Chg
1	2.010	+10%
2	0.067	+10%
3	0.180	+10%
4	0.590	+9%
5	0.120	+9%
6	2.700	-10%
7	1.090	-10%
8	0.182	-10%
9	210	-10%
10	1.150	-9%

end of its weekend, and Monday after the IEA cut consumption will drop the oil booking, the twin UAE markets, Bahrain ended closed for its weekend.

Three million shares were in the Hotels & Tourism sector up 2pc. Banader Hotels and Imped 9pc. On the other 4pc, respectively.

of 5,373.14 before end-of-the-week low. The index is down Services & Insurance falling 2pc, respectively. Gulf 3 to a modest profit in the day. Nevertheless, Oula 5 and 8pc.

d of the elections, Kuwait 5. The Services sector names like, Kuwait Fin 2pc, respectively. Gulf 3 to a modest profit in the day. Nevertheless, Oula 5 and 8pc.

na bourse dip 2.5pc after sectors with volumes and r lost 220.14 points and Al Rayan lost 3pc and



■ **Meditech Medical Equipments** opened an office furniture division in Sehla yesterday. The showroom was inaugurated by Bahrain India Society chairman **Abdulnabi Al Sho'ala** in the presence of **Nationalist Congress Party Kerala state president K Muraleedharan** and Malayalam actor **Shankar**. Company managing director **Abdul Gafoor Veetil** welcomed the guests. Above, Mr Al Sho'ala cuts the ribbon in the presence of company officials and guests.

Global posts \$240m loss

KUWAIT: Kuwait's Global Investment House, the country's biggest investment bank, yesterday said it made a first quarter net loss of 69.5 million Kuwaiti dinars (\$239.9m), mainly on investment losses.

Global, which defaulted on most of its debt earlier this year, is among the most prominent firms in the GCC state's financial sector to face serious problems amid tight credit conditions.

The loss is a relative improvement after a 360.5m dinar it posted in the fourth quarter last year. Global made net profit of 34.7m dinars in the first quarter of last year, it said.

Global said impairment charges from investments amounted to 21m dinars in the first quarter, while an extra 27.9m dinars were losses by

affiliates mainly on write downs in valuation of assets in the real estate and financial sectors.

"The first quarter results continued to be impacted by global and regional market turbulence and material decline in overall investment and investment banking activities in the region," the bank said.

The bank said that it had not yet reached an agreement with its roughly 50 creditors to reschedule its debt and revamp its business.

"Although much work remains to complete the restructuring, Global remains confident that by working in cooperation with the lending group, a sustainable, long-term financing solution for the company is likely to be achieved in the coming months," it said.

DBK appoints key managers