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# engage

Q4 | 2020

## Sailing through with a clear vision for the future

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# Markaz reduces net loss to KD 1.72 million for 2020, after achieving net profit of KD 4.3 million for Q4 ending December 2020

Kuwait Financial Centre “Markaz” reported its financial performance with a net profit of KD 4.3 million for the quarter ending December 31, 2020, reducing the net loss attributable to shareholders for the year 2020 to KD (1.72) million, as compared to a net profit of KD 6.96 million for 2019. The Earnings per Share (EPS) was accordingly negative 4 fils for the year 2020 as compared to 15 fils for 2019.



Mr. Diraar Yusuf Alghanim, Chairman stated: “2020 was clearly the most challenging period in recent history with the onset of the global health crisis. The primary focus of Markaz in the first half of 2020 was to maintain the business stability and continuity, ensuring its clients’ objectives are being achieved, while protecting the health and safety of all its employees. The second half recovery started with the removal of the initial lockdown restrictions, even as the GCC continued to feel the impact of lower oil prices and demand. With this economic and market backdrop, Markaz was still able to deliver gradual improvement during the year on both operational and financial performance indicators.

Mr. Ali H. Khalil, Chief Executive Officer stated: “In December 2020, Markaz suc-

***Despite 2020’s challenging economic and market backdrop, Markaz was able to deliver gradual improvement on both operational and financial performance indicators***

cessfully closed its KD 35 million 5-year bond issue through private placement. The bonds were oversubscribed, which supports the financial plan for the company on the mid and long terms.”

He added: “Markaz reported Asset Management fees of KD 7.52 million in 2020, a decline of 7.3% y-o-y, which were most impacted in Q2 2020 as a direct result of equity market volatility. However, Asset Management fees recovered sequentially

in Q3 and Q4 2020 to pre-pandemic levels. Investment Banking fees for 2020 were KD 0.61 million, a growth of 5.9 % y-o-y and a reflection of Markaz’s commitment to providing incomparable investment banking services.”

He pointed out: “Revenues for 2020 were supported by the positive results of Markaz real estate activities. On the other side, the annual performance was offset by the loss from financial assets at a fair value of KD (2.08) million out of which KD (0.26) were actually realized. Markaz also recognized an impairment of properties of KD (2.07) million due to subdued real estate market conditions. Markaz AUM at the end of the year closed at KD 979 million as compared to KD 1,143 million at the end of 2019.”



MARKAZ NEWS

# Together on a journey of new opportunities towards wealth creation

2020 was a year like no other, as it brought tremendous challenges to people, businesses, and economies around the world. As the Covid-19 pandemic swept the globe, markets faced unprecedented uncertainty, and lockdowns and mobility restrictions weighed on the performance of many institutions in the first half of the year.

The difficulties resulting from the pandemic have not shaken our confidence, nor impaired our commitment to serving our clients, and we continue our constructive role in the economy and society. We exerted every effort to deliver to all our stakeholders the performance we promised, notwithstanding the global circumstances.

Adaptability has always been at the core of Markaz's operation, and that is the reason we sustained our favorable performance over the years. We consider

changes and disruptions as a source to identify new attractive investment and growth opportunities.

We leave 2020 behind feeling proud of our achievements, satisfied that the investment philosophy and policies, as well as processes, systems, and measures that we worked hard on instating over the decades have worked well in preserving our capital and that of our clients.

As we enter 2021, we are confident that we will continue to identify and execute unique opportunities arising from the new

landscape that are suitable to our clients. Our focus will remain on enhancing our capabilities, improving our offerings, engaging with our clients to understand their needs, optimizing our execution to create sustainable value, and grow the wealth of our stakeholders.

Above all, we are grateful to to our clients for their trust, to our teams for their dedication, and to the community at large for its constant support that made it possible for Markaz to continue to prosper since its inception in 1974.

## KEY HIGHLIGHTS OF 2020

**1** Four awards from Global Finance and EMEA Finance in 2020

**2** Launch of iMarkaz application

**3** Profitable exits from real estate projects regionally and internationally

**4** Successful closing of 5-year KD 35 million bond issue

**5** Launch of Sustainability Report for 2018/2019

**6** Sharing industry knowledge through many webinars and reports

**7** Three-fold improvement in efficiency of Graduate Development Program during pandemic

**7** Renewed partnerships with reputable organizations such as KRCS, Loyac, and CODED

# Markaz successfully closes 5-year KD 35 million bond issue

Demand exceeded offered bonds, emphasizing investors' trust in Markaz.

Markaz announced the successful close of its KD 35 million 5-year bond issue through private placement. The bonds, which were issued on 20 December, 2020, and were oversubscribed affirming investors' trust in Markaz, are equally allotted between fixed rate and floating rate tranches. The fixed-rate tranche has a coupon of 4.75% per annum payable quarterly, while the floating-rate tranche offers a coupon of 3.00% above the Central Bank of Kuwait discount rate, capped at 5.50% per annum and payable quarterly. Gulf Bank, Ahli Capital Investment Company, and Markaz were the joint lead managers and subscription agents. The subscription period for the issuance lasted from 24 November to 10 December, 2020.

"Capital Intelligence", an international credit-rating company, rated the bonds at (BBB) with a stable outlook. This rating reflects Markaz's sound financial standing in terms of liquidity, solvency and the sustainability of both its management

fees and commission income. Other supporting factors include Markaz's consistent track record of meeting its debt service obligations, its access to unsecured financing, and its diversified lender base.

***Strong demand for our fourth issue reflects the trust that investors place in Markaz, and the markets' confidence in the quality of our bond issues***

Mr. Diraar Yusuf Alghanim, Chairman of Markaz, stated: "We are pleased to announce that Markaz's latest bond issue was received positively by the capital market. The strong demand for our fourth issue reflects the continuing trust that investors place in Markaz, its solid creditworthiness, and the capital markets' confidence in the quality of our bond issues. The Capital Intelligence rating also confirms Markaz's

status as a well-established franchise with a sound reputation in the region, particularly in Kuwait. Our experienced management team has succeeded in effectively guiding the company through this year's challenges, while always ensuring that we fulfill our responsibilities to our stakeholders."

Markaz CEO, Mr. Ali H. Khalil commented: "These bonds were competitively priced and attracted extensive participation from institutional investors, reinforcing their trust in our credit risk. He added that Markaz has always been an active participant in the debt capital markets as an issuer, lead manager, and investor, and will continue to work with regulators and the public and private sectors to create an efficient and liquid bond market in Kuwait. We always seek to maintain and reinforce these relationships, and entrusted Gulf Bank and Ahli Capital given their strong market positions, as well as our confidence in their distribution networks."



MARKAZ NEWS

# Markaz wins three coveted categories from EMEA Finance Middle East Banking Awards 2020

Ending the year strong.



Markaz was recognized among the leading investment and asset management institutions across the region with three awards from the EMEA Finance magazine's 'Middle East Banking Awards 2020'. Reinforcing its market leadership, Markaz was named the 'Best Asset Manager in Kuwait' and the 'Best Local Investment Bank' for the eighth consecutive year. The company also won the 'Corporate Social Responsibility Award – Middle East' from the prestigious regional awards.

The reputable awards reflect Markaz's continuing success and solid performance in the asset management and investment banking business despite the prevailing challenges in the global economy triggered by the coronavirus pandemic. Markaz has maintained its strong track record in delivering returns to its clients and consolidated its position in the local and regional market. The awards considered various performance and structural factors such as market share, innovative products, growth in important product classes, and corporate strategy. The organizer commended the winners' many impressive initiatives that focused

on supporting clients, communities, and the public sector.

Mr. Abdullatif W. Al-Nusif, Managing Director, Wealth Management and Business Development at Markaz commented: "The year 2020 has been a positive year for Markaz where our investment products yielded solid performance, despite the global health crisis and the resulting uncertainties. The pandemic-induced situation provided us with an opportunity to prove that we are resilient and well-positioned to weather severe challenges, and the awards from EMEA Finance further reinforced this reputation. We are delighted to have received the 'Best Asset Manager in Kuwait' award for the eighth year in a row in a compelling testimony to the robustness and success of our growing portfolio of high-performing solutions for sustainable wealth creation. I would like to thank our colleagues for delivering excellent performance with their hard work and their commitment to follow prudent risk management policies in the rapidly changing investment environment."

He added: "Even though the Covid-19 pandemic has had an impact on investors' appetite and market confidence globally, our comprehensive range of investment banking services has experienced strong demand. Our mandated transactions, which are underpinned by excellent execution capabilities, extensive research, and industry expertise, generated long-term value for our clients. The winning of the 'Best Local Investment Bank' award for the eighth consecutive year represents an acclaimed recognition of our unique offerings and uncompromising commitment to service excellence."

**The awards reflect Markaz's success and solid performance in asset management and investment banking despite the prevailing challenges**

Commenting on the winning of the Corporate Social Responsibility Award - Middle East, Al-Nusif said: "As an organization that thrives

on core values, Markaz places corporate social responsibility at the heart of our operations. Amidst the unprecedented circumstances in both local and international markets, we have remained steadfast in our commitment to working towards the betterment of the communities where we operate. We are proud that our many initiatives have created a meaningful impact on the beneficiaries that include our people, society, and the state of Kuwait. We are greatly encouraged by the award to further our endeavors focused on driving sustainable prosperity around the world."

In another major development, Markaz was named the 'Best Investment Bank in Kuwait' for the ninth time at Global Finance's 'World's Best Investment Banks 2020' awards. The magazine said the top performers "stand out for their ability to maintain and even strengthen their market positions in volatile environments." The criteria used to select the winners included market share, number, and size of deals, service and advice, structuring capabilities, distribution network, efforts to address market conditions, innovation, pricing, after-market performance of underwritings, and market reputation.



# Markaz participates as Supporting Partner in 'Kuwait Investment Outreach' virtual webinar

Reinforcing its support to Kuwait's investment scene and economic development plan.



Markaz participated in the 'Kuwait Investment Outreach' webinar, themed 'Investing in Kuwait - Capitalizing on Transformation', as a Supporting Partner. The webinar, which was held on 9 December, was organized by the Kuwait Direct Investment Promotion Authority (KDIPA), in collaboration with The Financial Times and FDI Magazine, and is the third in a series of digital dialogues held in London and Silicon Valley. Markaz's support for this webinar is in line with its Corporate Social Responsibility (CSR) strategy, and its strong belief in the importance of the role played by the private and public sectors in developing an attractive investment environment that will elevate the performance of the private sector specifically, and the nation's economy as a whole.

Mr. M. R. Raghu, Executive Vice President of Published Research at Markaz, took part in a dynamic panel discussion

## *The webinar addressed the pandemic's effect on Kuwait's capital markets and sectors that provide the greatest investing opportunities*

titled 'Kuwait's Capital Markets and Economic Development' that addressed the effect of the pandemic on the Kuwait capital markets, and how the recent developments have impacted investor perception. It also shed light on the sectors that provide the greatest opportunities for investors and possibilities to capitalize on the opportunities of a Kuwait investment.

### **Kuwaiti capital markets growth**

From a fund manager perspective, Mr. Raghu highlighted the resilience of Kuwait capital markets, as a result of the series of reforms seen over the past few years and the importance of the recent MSCI inclusion, on the back of which great foreign investor interest is seen. Mr. Raghu expressed his hopes in seeing more active inflows, which will in turn further elevate the performance of the Kuwait capital market, creating a positive impact on all

market participants. From the international fund manager perspective, he pointed out that few markets present bargain hunting, and Kuwait is certainly one of them, as it is yet to participate in the global equity rally.

### **Kuwait economy outlook, Covid-19 impact and vaccine**

Despite the challenges seen throughout 2020 as a result of the pandemic and the decline in GDP, Mr. Raghu stated that Kuwait is surely in a safe position, and strongly believes that it will be able to maintain its strong credit rating. When looking at the size of Kuwait's sovereign funds, oil revenues, and even in light of the current deficit, it will surely survive the downfalls seen in 2020. Mr. Raghu also expressed his positive views for the coming year, in light of the potential vaccine and on the back of a resilient 2020.

### **Sustainability and ESG factors**

On the topic of Sustainability and ESG, Mr. Raghu highlighted that the development of these factors from a global sense has been phenomenal and is confident that they will gain more traction in the near future in Kuwait. Looking at sustainability as a concept, Mr. Raghu clarified that Markaz has integrated it within its due diligence process, when researching a company and assessing how sustainable its business model is over the span of three to five years. From an ESG perspective, and especially from an environmental, social, and governance view, Mr. Raghu believes it is beginning to take shape; however, he emphasized that in order to see a drastic change in the uprise of these factors, there must be a shift in dominance of the investment scene from retail to institutional investors.

### **Talent and human capital**

From a talent and human capital perspective, and the importance of attracting local and foreign talent to the private sector, Mr. Raghu voiced that it is a key aspect that requires critical human capacity training to achieve the transition aspired, when shifting from an oil economy to a non-oil economy. He added that the results aspired will surely be evident in the long term.



# Markaz organizes webinar on investment opportunities in 2021

## Markaz House View 2021: Opportunities and Outlook



‘Markaz House Views’ included expert sessions on current and future market trends to help investors capitalize on emerging opportunities.

As businesses worldwide hope to recover from the setback of the pandemic year and operate in a robust market in 2021, Markaz organized a webinar to help investors capitalize on new and emerging opportunities. The webinar, titled ‘Markaz House Views 2021: Opportunities and Outlook’, was held on 18 January through Zoom. It featured expert sessions led by Markaz’s investment professionals who shared their views on current market conditions and the prospects for 2021.

The webinar included five different engaging panel discussions and presentations covering GCC equities, GCC fixed income, GCC real estate, international real estate, and international investments. The sessions assessed the performance of various markets following the positive news surrounding coronavirus vaccines and new support measures by governments, based on Markaz’s market study and evaluations. Panel discussions explored the attractive asset classes in 2021, including fixed income, bonds, and sukuk, and took an in-depth look at the performance of equities against the backdrop of lower oil prices and the Covid-19 pandemic. Attendees gained insights on opportunities in the regional and international real estate markets across

***The webinar explored attractive asset classes in 2021, and took an in-depth look at the performance of equities against the backdrop of lower oil prices***

multi-family, office, retail, and industrial asset classes.

The outstanding line-up of Markaz speakers included Ali H. Khalil, Chief Executive Officer; Bassam N. Al-Othman, Managing Director, MENA Real Estate; Rasha A. Othman, Executive Vice President, Fixed Income; Abdullah Al-Mailam, Senior Analyst, International Real Estate; Fahad Al-Rushaid, Manager, MENA Equities; and Abdulmohsen Al-Mudhaf, Assistant Analyst, International Investments. The sessions were moderated by M. R. Raghgu, Executive Vice President, Published Research.

Following the webinar, Markaz published a report presenting its house views on emerging investment opportunities in 2021 regarding the various asset classes that Markaz manages.

### **GCC Equities**

The 2020 performance overview for

equities in the GCC showed that the asset class witnessed a decline early in the year following the coronavirus pandemic. GCC markets were then able to shake off the bad start as the virus was contained following periods of lockdowns and curfews. The gradual opening of economies and positive developments related to Covid-19 vaccines led to the S&P MENA index ending 2020 with a yearly gain of 1.5%.

Markaz report stated that the improvement in the geopolitical situation in the GCC works in favor of the region’s economy and non-oil stocks, where the re-opening of borders is also expected to increase trade volumes, which can be positive for banking stocks that are a proxy for the economy as a whole in the GCC.

Markaz’s outlook for 2021 for regional equities remains positive, as the markets would be supported by improving corporate earnings and economic recovery from the Covid-19 downturn. GCC economies are expected to recover in 2021 with expected GDP growth of 2.6%, and 3.1% in 2022 from a decline of 6.6% in 2020, driven by higher oil production and an improvement in economic activities. GCC economies are likely to return to pre-pandemic levels by 2023.

### **GCC Fixed Income**

Markaz report stated that a year of uncertainty, mainly led by the pandemic, also had its effect on global and regional fixed income markets. However, post a massive drop in fixed income indices across the world during March of 2020, the recovery has been fast-paced and most of the indices recovered above the pre-pandemic levels.

Stability in oil prices and expected improvement in GDP growth in 2021 over 2020 reflect a stable outlook for GCC corporates. In terms of economic growth, S&P Global Ratings expects a modest economic recovery for the GCC over 2021-2023, with real GDP growth of 2.5%, after a contraction of about 6% in the past year.

The GCC bond market is expected to be an attractive asset class in 2021 and will offer a yield pick-up to investors with tolerable duration and credit risk levels. The 10-year US Treasury bond yield is expected to be capped at 1%-1.25% due to the commitment of the U.S Fed-





eral Reserve to maintain the policy rate on hold. This is expected to raise the appeal of GCC bonds and Sukuk given the attractive yield differential between GCC sovereigns and the US and other emerging markets. Markaz report added that the GCC bonds and Sukuk market proved to be resilient during uncertainties, due to real domestic demand.

### **GCC Real Estate**

Covid-19 and the low oil price environment has led to a demand shock in the region by affecting business contraction and repatriation of expatriates, as shown by Markaz. The ability and willingness to spend have also been affected. In the GCC real estate sector, collections, occupancy, rental rates, and valuations have declined.

That said, Markaz showcased the opportunities for regional real estate, demonstrating how the real estate prices in the GCC are currently at attractive levels. As the market cycle nears its bottom, Markaz stated that it is an opportune time for investing in distressed assets. Additionally, investing in income-generating real estate generates monthly cash distributions in addition to the potential upside from going into the real estate market at the current point in the cycle.

The outlook for 2021 in the GCC real estate market is expected to stabilize

over the next 6-12 months. This would most likely be followed by a recovery marking the beginning of a new cycle. In

***Markaz showcased the opportunities for regional real estate, demonstrating how the real estate prices in the GCC are currently at attractive levels***

Kuwait, stable activity in residential real estate and improvement in commercial and investment sectors on the back of the recovery in the business environment could lend support to the sector.

### **International Real Estate (US and Europe)**

Throughout 2020, the structural shifts and uneven impact brought about by the Covid-19 pandemic have reflected particularly well in the real estate sector. While some sub-segments benefited from the policy responses to the pandemic, the lockdowns and social distancing disadvantaged others.

In terms of opportunities, the Markaz report highlighted that the impact on retail and office seems to be structural, while the impact on hotels and the hospitality sector seems to be transient, where demand is expected to return to 2019 levels over the next 3 to 5 years. The

segment could yield double-digit returns as demand reverts to historic trends. The present times also provide opportunities to acquire assets at a discount or below replacement cost owing to the challenges presented by Covid-19.

Markaz predicts that moving into 2021, much of the trends set afoot in 2020 are likely to continue. While industrial and multi-family would continue their positive trend, hospitality and office space could take time to recover, while retail might not recover to pre-pandemic levels as e-commerce continues to gain traction.

### **International Investments**

Markaz report showcased that although equity markets initially rose to record highs in early February 2020, a fall in March was witnessed as the Covid-19 outbreak spread across the globe and the situation became serious. To stabilize the markets, the U.S Federal Reserve and other central banks announced monetary easing while governments announced trillions in stimulus measures. These measures helped global equity markets make a swift recovery. 'Stay at home' stocks aided the initial recovery in global equity markets particularly the U.S with Zoom, Peloton, Docusign, and Netflix, witnessing big gains. The 'big tech' stocks like Apple, Amazon, Netflix, Google, Facebook, and Microsoft stocks also saw huge gains. Other areas of the market that reaped the benefits of this environment included electric vehicles, clean energy, and popular tech-related SPACs and IPOs.

In relation to opportunities, the emerging markets equities would be beneficiaries of a global economic upswing in 2021 led by China. They can also benefit from flat-to-weaker U.S. dollar and more stable trade policies under a Biden administration. Chinese equities look attractive as its tech-orientation allows it to benefit from structural growth trends and its professional handling of the pandemic has ensured its GDP did not contract in 2020, unlike other major economies.

Markaz continues to dedicate its efforts towards the support of the overall development of the Kuwait economy, through continuously bringing to light relevant and significant research and insights that allow for a more knowledge-based discourse.

# HR Department sets sights on 2021 opportunities for driving human capital development

Building on its contributions to Markaz's success in ensuring business continuity in 2020.

## Crisis management

During 2019, we were in preparation for several projects fundamental to supporting Markaz's strategic goals through its people, such as the overhaul of our Human Resources Management System, implementation of e-Learning and Learning Management Systems, and development of a framework for Leadership, Technical and Behavioral Competencies. Our expectations for 2020 were quickly diverted by Covid-19. HR became the lead function in keeping our people connected and motivated as we shifted to remote working during the H1 lockdown and gradually came back together through the official phases of reduced office attendance.

## Supporting continuity

Once stabilized, we maintained the confidence of our staff and teams in the office environment through strict guidelines for safe working, with physical layout changes to ensure social distancing, prompt action with and for any staff reporting suspected symptoms or Covid-19 contact. This vigilance and staff cooperation have paid off; so far, our business continuity has been seamless - we have not had any office-transmitted cases to date, and there has been no negative impact on company operations.

## Getting back on track

With a delayed start, HR nevertheless pursued its strategic agenda, ensuring essential technical groundwork and supplier relationships were readied and primed for action for when the crisis eventually passes. In anticipation of the economic impact on the business, we achieved operating savings of nearly KD 130,000 over 2020, reducing or eliminating external services and finding internal efficiencies, all of which we saw as contributing so strongly to the resilience of Markaz. It is worth highlighting that we did not have to ask for or impose personal concessions in terms of benefits on any of our staff, which was not the case for employees in the Kuwait market in general and the financial services sector in particular.

## Slowing down to go faster

We paused our ongoing Learning and Development activities only for as long as it took to replace, and, in fact, enhance them, through strong sourcing and adoption of virtual learning experiences. We doubled down on our efforts to chart a full set of up-to-date leadership, technical and behavioral competencies to keep Markaz up to the highest professional and industry knowledge and capability standards through the selection, development, and career progression of our

people. In the same vein, we ensured that our Graduate Program likewise delivered the vocational and industry experience it was designed for, by adapting our methods to the new work environment. Otherwise, we suspended the initiation of projects or system makeovers that would have required capital spend in 2020, but both we and our external partners are fully ready to execute on them so long as we are in a healthy 2021 budget position to do so.

## Our sights are set on 2021

Our main deliverables, if circumstances favor them, for 2021 will be to upgrade our HR Systems to entirely do away with physical and paper transactions for staff processes and transactions, to optimally outsource our physical services, and to leverage professional and personal performance. Virtual programs hosted on our own eLearning platform will enable our people, and we aim to enhance this through a powerful combination of mentoring, coaching, and specialist training for the new skillsets of the post-Covid-19 world. Our strategic emphasis overall will be on the effectiveness of our people and cross-business teams in collaborating, innovating, and growing products and services that will bring sustainable value to our clients.



# Positive outlook for Kuwaiti M&A activity in new year after Covid-19 bites into deals in 2020

By: Fay Al-Bader, Assistant Analyst, Advisory - Investment Banking



The Kuwaiti market witnessed a noticeable drop in the level of M&A activity between 2019 and 2020 due to a number of factors, primarily the emergence of the Covid-19 virus and the resulting lockdown measures that were implemented to contain the spread across the local community. This subsequently caused significant supply chain disruptions, labor shortages, a sharp decline in oil prices, and a plunge in investor confidence. As such, the total number of M&A transactions targeting Kuwaiti companies has decreased by approximately a third between 2019 and 2020, from 38 to 20 transactions. Note that these figures only represent transactions that have closed within the respective years mentioned above.

In taking a deeper look, it is evident that there was a similar pattern that unfolded throughout the two years whereby the second quarter records the lowest level of activity, followed by two quarters that witness a growing number of closed transactions. With that being said, the first quarter of 2019 closed an outstanding number of 16 transactions whereas 2020 witnessed a slow beginning to the year due to the unforeseen circumstances explained below.

Within Q1 2020, there were a total of three transactions that closed, which is approximately 81% and 73% lower relative to Q1 2019 and Q4 2019, respectively. This was primarily driven by the uncertainty and disruption that arose due to the initial outbreak of the Covid-19 virus, and was further exacerbated due to the plunge in oil prices. Despite a slight recovery in oil prices and the rollout of a KD 5.0 billion stimulus package, this fear trickled further into Q2 2020 as the number of cases spiked and as the government introduced strict lockdown measures, two factors that collectively kept investor confidence low.



***In Q3 2020, a total of six transactions closed, which is significantly greater than the previous quarter and slightly lower relative to Q3 2019***

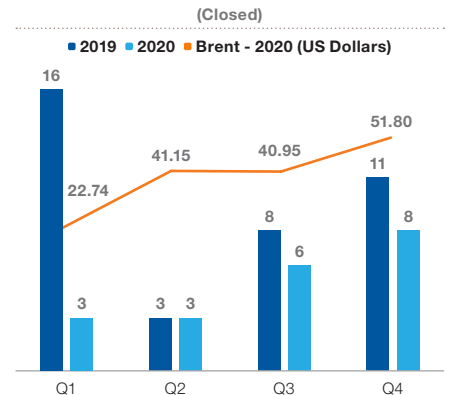
In addition, the pandemic has created a further gap between valuation expectations, which further prolonged and or hindered several deals from closing. This is evident based on the level of local M&A activity, which continued to drop quarter over quarter. Within Q2 2020, there were only three transactions that closed yet again, which implies a 0% growth relative to both Q1 2020 and Q2 2019; however, the market began to take a positive turn beyond this point.

By Q3 2020, local M&A activity slowly increased as the total number of new Covid-19 cases started to decrease, lockdown restrictions eased and talks of the vaccines began to materialize. Collectively, these factors propelled a recovery in oil prices and spurred a revival of investor confidence. In addition, companies that were proactive throughout the first half of the year quickly identified new opportunities through bolt-on acquisitions or transformative deals while the other less-resilient players were forced to raise working capital through divestments of non-core assets and/or sale of minority stakes. This is demonstrated by the increased level of activity that occurred throughout the next two quarters. Throughout Q3 2020, there were a total of six transactions that closed, which is significantly greater than the level of activity witnessed in the previous quar-

ter and slightly lower relative to Q3 2019. The positive sentiment remained strong throughout the following quarter as the Pfizer-BioNTech vaccine was approved, local parliamentary elections concluded, and as consumer and investor confidence continued to increase. Hence, the last quarter of 2020 recorded a total of eight closed transactions, which yet again, represents a 33% growth relative to Q3 2020 however it is slightly less than Q4 2019.

Going forward, we expect the local M&A market to be more active than 2020, driven by a national rollout of the vaccine, a decreasing number of new Covid-19 cases, and increased investor confidence. This activity will include a combination of transformative deals, such as consolidations within players in the same industry, in addition to divestments and the sale of minority stakes, which are expected to rise in line with larger reconstructive.

## Local M&A Transactions



Note: Brent crude prices reflect the closing price as of each respective quarter of 2020.

# How will offices and work life evolve after Covid-19

By: Khaled Al-Dousari, Analyst, MENA Real Estate



With every major world event, we see an impact on office design. Thermal scanners, plexiglass shields, restricted elevator passengers and social distancing are now part of the workplace. Concerns about coronavirus spread have forced firms to retrofit spaces to bring workers back. These modifications are only the start. Offices are also now being redesigned and re-imagined for the uncertain future where health is the focus, even if Covid-19 is no longer a threat. This transformation raises a bunch of questions: Do you need as much expensive office space? And do individual workers need to commute into the office every day?

We have had 20 plus years with the internet, and office design is only starting to reflect the real possibilities of that change. We made the leap from seeing that people could communicate via electronic means, without realizing that it did not mean that everybody had to be in the same place. The uncomfortable truth about offices is that they are expensive and sometimes inefficient. Companies spend on average \$10,000 on office space per employee every year, according to JLL. The need for social distancing and the occurrence of the pandemic could reduce the number of staff needed in an office, which then leads to tenants needing smaller office spaces.

Nouf Tower, an office building owned by Markaz Real Estate Fund and situated in the heart of Kuwait City, was transformed in a way to cater to the changing needs of the market. From a standard office building with an outdated corporate feel to a vibrant evolved building. Designing, civil, and architectural changes were

***Nouf Tower, an office building owned by MREF and situated in the heart of Kuwait City, was transformed in a way to cater to the changing market needs***

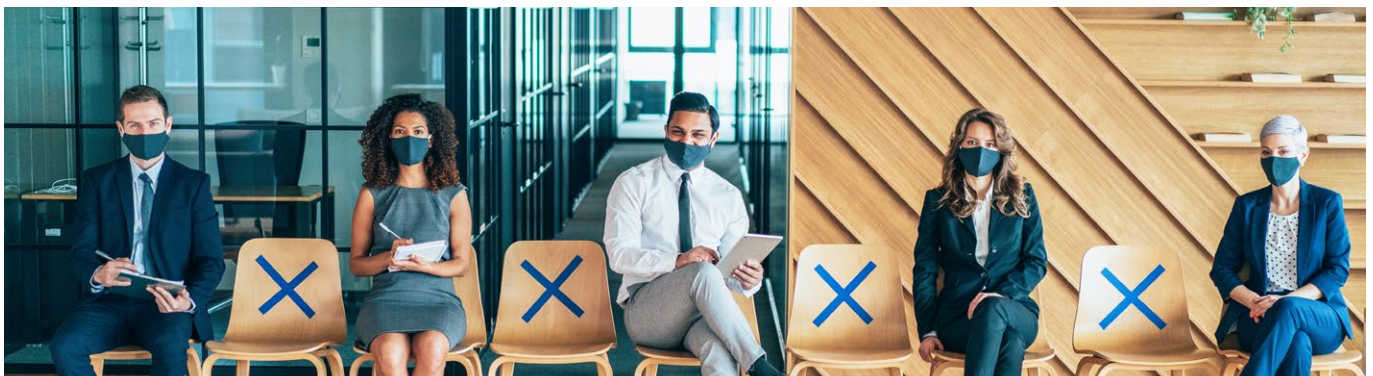
carried out to uplift the property.

The transformation first started with the reassessment of the number of licenses per floor. Before the pandemic, the floor was divided into two 100 sqm offices that had only one license per office. We then proceeded with splitting the current layout into smaller units which allowed us to issue a max of six licenses per floor. These licenses will be used by our tenants for their company establishments. Currently, we are offering half or full floors (three or six offices) for rent, which makes it possible for tenants to establish companies within their rented space while utilizing the available extra PACI numbers.

This minimal change will give us the luxury to cope with the market demand.

In addition to that, we complemented the layout upgrades with the renovation of the lobby to attract new tenants. The lobby floor and walls are now equipped with exquisite Greek marble that elevated the standard of the property. The ceiling was also reconstructed with new lighting and AC vents designs. Offices restrooms and kitchens will all be remodeled with new ceramic and furniture. Lastly, the exterior façade of the building will also be changed to give a fresh look. (Expected completion mid-Q2 2021).

Companies are now aware of how much office space they actually need. But they may also have realized that they also need better, more resilient office space. It is clear that with Covid-19 as a game-changer, current developments in the world of work are having repercussions on the sector as a whole. Being responsive to the changing market demands will allow us to capitalize on such market trends. The office of the future will be based on new concepts and we are prepared and ready for any change.



# How Markaz's comprehensive market-making services add value to companies

By: Abdullatif Al-Adwani, Assistant Analyst, MENA Equities



## **Markaz offers market maker services to companies looking to preserve their presence by complying with Boursa Kuwait, FTSE and MSCI requirements**

price they can purchase or sell depends on the supply and demand of the asset. A market maker focuses on squeezing the spread by offering bids and asks on the demanded quantity to offer liquidity in the market. A market maker's main purpose is to offer four main services to the asset, 1) provide liquidity, 2) offer smooth trading that eases investors' entry and exit positions, 3) increase trading on the stock by inserting quotes at a specific spread parameter through all trading hours, 4) support and stabilize the buying and selling process movement smoothly in market volatility conditions.

### **Spread**

The difference between the bid and ask in the order book is called the spread. If there are limited orders on the market depth, it may not be possible to enter a large or decent size position. Selling and buying an illiquid stock that has limited orders holds the risk of buying high or selling low. A market maker is committed

to a specific range of spread where the market maker is willing to buy or sell in those parameters. A market maker profits from the spread by buying low and selling high and realize a gain on the difference that represents its potential profit. The risk inherent in a given asset can affect the width of the market maker's spread. High volatility or a lack of liquidity in a security will tend to increase the size of the spread. On the other hand, a smooth security with frequent liquidity decreases the spread.

At Markaz, we offer market maker services to companies that are looking to preserve their presence in the premier market by complying with the minimum liquidity and volume required by Boursa Kuwait to sustain its presence. Also, we serve companies who are keen on increasing their market cap, liquidity, and volume in order to meet FTSE and MSCI emerging market list of constituents requirements by supporting its market depth and providing excess liquidity. In addition, some stocks are limited in liquidity and need assistance to ease entry and exit for investors to further encourage and attract investments into the stock to increase trading on the stock and potentially get an upgrade to the premier market.

### **What is market maker?**

Whenever a security is bought or sold, there must be someone on the other end of the transaction. In some securities, you might not always be fortunate to immediately find someone who wants to sell the number of shares you want to buy. This is where market makers come in.

Market making is a service offered by a firm that actively quotes a specific security chosen in the market by offering liquidity through providing a 'bid and ask' quote in the market. When someone wants to buy or sell an asset, they need to trade on an exchange where buyers and sellers meet in the order book. The



# Revenue squeeze could spur Gulf bond issuance to new highs in 2021

By: Marmore MENA Intelligence

International debt sales by sovereigns and corporates in the Gulf region topped a record USD 100 billion issuance in 2020 as governments raised capital to cover their widening deficits and corporates latched on the opportunity to strengthen their balance sheets amid low-interest rates. Central banks opened up the liquidity taps to support the economy and investor frenzy for positive yielding instruments drove international debt issuance from the Gulf region to record highs.



The economic repercussions of the impact of novel coronavirus and the subsequent breakdown of the OPEC+ supply cut agreement are unprecedented for the Gulf economies. The sudden freeze in economic activity globally due to various measures such as travel restrictions (curbs on flights, public transportations, and taxis), the closing of schools, universities,

shopping malls, commercial establishments, and curfew imposition to prevent the spread of virus created a demand shock. The transportation sector that accounts for approximately 50% of global oil demand by end-use category remains affected by such measures that were implemented in various degrees across countries. Subsequently, oil markets faced

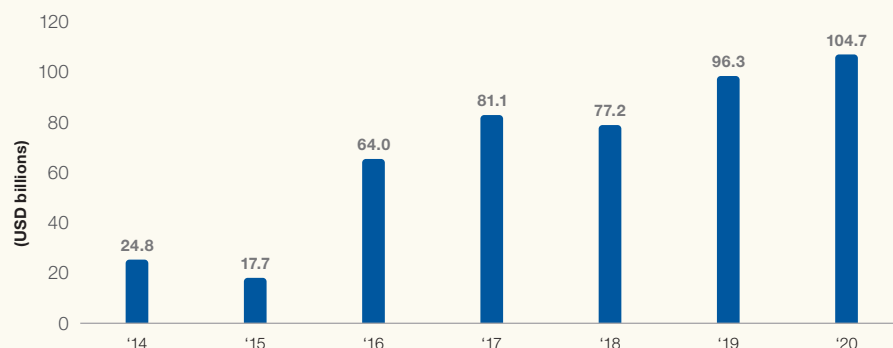
**Oil price recovery in 2021 remain modest and revenue shortfalls could persist. S&P ratings expects the situation to normalize only by 2023**

with excess supply, and reduced demand tumbled to low price levels. Expectations for oil price recovery in 2021 remain modest and revenue shortfalls could persist. S&P ratings firm expects the situation to normalize only by 2023.

To balance the wide deficits and ensure continued spending amid a fall in revenues, the governments could either dip into their accumulated fiscal reserves or issue additional debt. As the interest rates are at record lows and with many GCC countries having low debt compared to their emerging market peers, GCC sovereigns along with the regional corporates have tapped international debt markets for capital. As a result, the cumulative borrowings topped USD 100 billion in 2020 - a record high for the GCC region.

## GCC borrowings topped USD 100 billion in 2020:

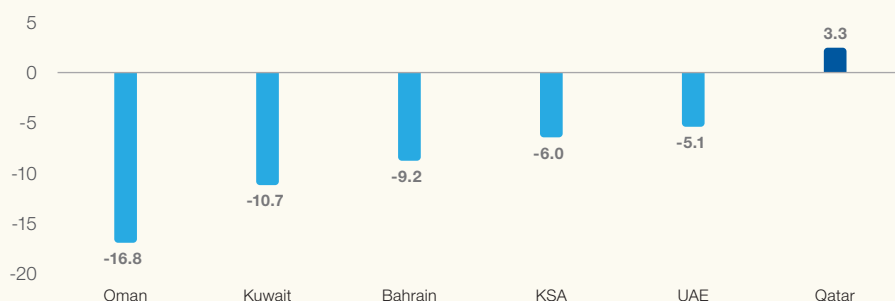
A record high



Source: Bloomberg. Note: Includes both Sovereign and Corporate issuances.

## Deficits to persist for GCC countries in 2021:

Fiscal balance (as % of GDP), 2021



Source: IMF, October 2020

### Issuance to continue in 2021 as low oil prices squeeze government budget

In the first 26 days of 2021, governments and companies worldwide raised USD 112.6 billion of international bonds. The value raised is shy of the all-time monthly record of USD 112.8 billion set in January 2003<sup>1</sup>. Two key factors have been in play for the ongoing bond rush. First, the coronavirus pandemic has dented the public finances and increased the borrowing needs for governments worldwide. Second, the rise in U.S. 10-year benchmark treasury yields above

***In the first 26 days of 2021, governments and companies worldwide raised USD 112.6 billion of international bonds, just shy of 2003 all-time record***

1% has prompted issuers to lock-in rates at record bottom levels that may not last for long.

For 2021, GCC governments have revised their budgets and expenditures in various degrees. Saudi Arabia has stated that it would spend an estimated SAR 990 billion (USD 264 billion) in 2021, 7%

less than that of 2020. Similarly, Kuwait in its recent budget for FY 2022 (April 01, 2021- March 31, 2022) expects its deficit to be at KD 14 billion (USD 46 billion), which is 52% higher than the forecast made in the original budget for the fiscal year 2021. Oil production is expected to be lower at 2.4 million barrels per day (mbpd) for Kuwait in FY 2022 as against 2.5 mbpd in FY 2021 due to compliance with OPEC+ agreements.

In January 2021, the Saudi Arabian government raised USD 5.5 billion in dual-tranche bond sale with tenors of 12 and 40 years. Overall, it aims to increase its debt by SAR 83 billion (USD 22 billion) in 2021. Dubai tapped the international debt market after six years in September 2020. We could expect further issuance from the Emirate to shore up its finances.

In the case of Kuwait, parliamentary authorization to issue or refinance debt expired in 2017. With reserves in General Reserve Fund (GRF) fast depleting, Kuwait is expected to secure approval for borrowing. Consequently, Kuwait could hit the international debt markets in 2021. For Bahrain and Oman, debt is crucial for their survival amid dwindling reserves and they would continue with issuance in 2021. Bahrain raised USD 2 billion in the third week of January 2021 amid uncertainty over help from its neighbors who have their own financial woes to deal with.

Corporates in the GCC region are not far behind. Financials and government-related entities (GRES) continue to be active and are shoring up capital to strengthen their balance sheets. National Commercial Bank (NCB), which is set to merge with Samba Financial Group, sold USD 1.25 billion tier-I sukuk at the lowest-yield, aided by strong investor demand, in the Gulf region. Aramco that raised USD 8 billion in November 2020 in part to honor the dividend payments (USD 75 billion per annum) could continue to do so in 2021, as well. Abu Dhabi National Oil Company (ADNOC) recently received a credit rating and could come up with debt issue this year.

<sup>1</sup>Source: Bond Radar data, Retrieved from FT

## Major corporate issuances in 2020

Issuer	Instrument	Maturity	Issue Size (million)	Coupon/ Profit rate
Aramco	Global Medium Term Note	2070	USD 2,250	3.50%
Aramco	Global Medium Term Note	2050	USD 2,250	3.25%
Aramco	Global Medium Term Note	2030	USD 2,000	2.25%
Aramco	Global Medium Term Note	2025	USD 1,000	1.625%
Banque Saudi Fransi	AT-1 Sukuk	Perpetual	SAR 5,000	4.50%
Saudi British Bank	Tier-I Sukuk	2030	SAR 5,000	6 months SAIBOR +195 bps
NCB	AT-1 Sukuk	Perpetual	SAR 4,200	4.25%
Dubai Islamic Bank	Trust Certificate Issuance Programme - Sukuk	2026	USD 1,000	2.95%
DP World	Perpetual Sukuk	Perpetual	USD 1,500	6.00%
Equate Petrochemical	Global Medium Term Note Programme	2025	USD 1,000	5.00%
Qatar National Bank	Medium Term Note	2027	USD 1,000	2.75%
Riyad Bank	Trust Certificate Issuance Programme - Sukuk	2030	USD 1,500	3.174%

Source: The Gulf Bond and Sukuk Association

# Shakespeare at Starbucks – facing up to the Innovators’ Dilemma

By: Peter Kelly, Executive Vice President, Human Resources



## Innovation

is so much easier said – or searched for – than done. Think of the budding novelist (or, this Engage article writer!) staring at a blank screen for hours – how to be original, when everything good has already been written, by much better authors?

So it is in our world of asset management and investment banking, where we frequently face our own kind of ‘writer’s block’ – where do we go for new ideas in products and services? How do we create new features, new interest, new ideas when, in so many ways, almost every approach has already been invented, and either applied in our markets, or ‘somewhere else’, in ways that may not work with investors ‘here’ in Kuwait and in the region?

## There’s nothing new under the sun

Let’s go back to our budding writer.

So, you can’t imagine writing like Shakespeare, the best-known playwright, probably, in the world, across all cultures? Hate to break it to you – Shakespeare was not original.

The stories for his 23-plus classic dramatic works came from previous writers and sources. He borrowed plot lines, whole, for at least 3 plays from Boccaccio’s Italian short stories *The Decameron*. He stole the themes and context for *Romeo and Juliet* from a lesser-known contemporary English poet Arthur Brooke. Yes, indeed, who? *Hamlet* was adapted from 400-year-earlier Danish chronicles (an old term for a ‘history’). Twelve other plays (at least) were drawn from the even earlier English chronicles of Ralph Holinshed. Let me guess. Never heard of him either, right?

We have all had the feeling. Whether at home, or in our business. Come up with something new! And...we freeze

Sort of makes the point – it’s what Shakespeare did with all that available material that was innovative; the rearranging, blending, merging and reimagining to appeal to his audiences that caught the cultural imagination, and set his ‘products’ apart!

## Starbucks coffee

(Helping at this very moment with this author’s writing block!) – is a concept we all take for granted now, along with the multiplicity of coffee outlets that followed its lead. Did Starbucks invent coffee? No. They invented coffee with sofas. They wanted you to feel at home, to just hang out. And they sold more coffee, plus all the things that go with it, than any brand had ever found a way to do up to that point! They did not, however, innovate in one ‘Aha! moment’. They found their way by changing everyone’s idea of what was valuable – the coffee *culture*, not just the coffee they were trying to sell!

***They did not innovate in one ‘Aha! moment’. They found their way by changing everyone’s idea of what was valuable – the coffee culture***

## Ready, fire, aim?

We are seeing lots of innovation in our business sector lately relating to technology and easy access to investing, and whether it’s a Robinhood or a Bitcoin world we will end up in is perhaps a Starbucks journey in the making. But that’s far ahead of our ‘blank page’ dilemma – what does innovating mean now, today, when our teams are looking to inspire the confidence, and distinctively whet the appetites, of clients old and new?

Well, one way to ensure product and service development is not ‘blocked’, and that you find new ways to satisfy Clients is to create – not simply add – value. And the key to moving forward is to understand that is unlikely to be something no-one has thought of, or tried, before!

## Innovation is due diligence plus effort

In a world full of conventional products, we are encouraging our teams to see where cracks are appearing in existing categories and classes, to think ‘from the outside in’ about what really attracts the attention of investors within the tried-and-true, and not by tinkering with features, but by aligning features and concepts with the investors’ driving interests and ways of thinking about themselves.

We are also upping the pace of this thinking – gone are the days when an ‘unrefreshed’ product line, or traditional service quality, or cumbersome processes can continue to excite – sameness and variations on ‘business as usual’ are increasingly out of place in a world that is ‘super-changing’ super-fast, even for the most prudent of clients! And we can apply all of these dimensions to the power of ten to ‘next generation’ investors!

## The key takeaway

From our journey into Shakespeare at Starbucks is that the world rarely revolves around something truly new. Product features are not just pieces of a jigsaw puzzle, they are symbols that people can relate to, beliefs about what’s important that can become part of their own story.

So when our teams are working to ‘innovate’ – and that’s our number one internal theme – we’ll be seeing them think of how to tell a new story, write a new play (or even a thoughtful article!) that re-assembles our wealth of knowledge and solid track record to tap an evolving culture of investing.

You could say our House View is that our wealth creation is going to be more about agile renovation than simply moving the same old furniture around!





# Markaz renews support to Children's Cancer Center of Lebanon

Initiative supports treatment of around 350 children battling cancer



As part of its constant endeavors to actively participate in community services, Markaz strives to partner with reputable, active organizations that aim to achieve noble goals.

Markaz has renewed its partnership with the Children's Cancer Center of Lebanon (CCCL), an organization that supports children with cancer and their families in Lebanon and the region by providing access to free treatment and care. Markaz's initiative supports the treatment of around 350 children battling cancer. The cure rate achieved by CCCL is up to 80%.

By supporting causes that touch the lives of the people in the country and the region, Markaz combines corporate

**Markaz's initiative supports the treatment of around 350 children battling cancer. The cure rate achieved by CCCL is up to 80%**

social responsibility with business objectives, upholding its reputation as an organization that firmly believes in giving back to society. Furthermore, it

aims to support the country's efforts to support humanitarian initiatives and enhance cooperation in the region.

Founded in 2002, CCCL's vision is to provide access to free treatment and care to all children with cancer in Lebanon and the region, without any discrimination. Its activities and initiatives are aimed at facilitating access to the latest treatment regardless of the parent's ability to pay, achieving excellence in psychosocial services to help fight the disease, and providing education to create better understanding and awareness.



# M.R. Raghu's farewell

Going, but not gone!

Mr. Raghu Mandagolathur, our EVP Published Research, who has been with Markaz since 2006, is leaving us to return to India for personal reasons. He will, however, still be very much an active member of the Markaz family.

Mr. Raghu's contribution, which remains highly valuable, will shift to a new relationship, in which he will be CEO of Marmore, our research subsidiary based in Chennai, India. From there, he will continue to provide the incomparable research, content, and services we are used to seeing, in addition to expanding by supplying these to the broader international market on a commercial basis.

Through Marmore, he will also provide outsourced support to Markaz for client presentations and proposals, content for media, conferences, and seminars, and an ongoing consultancy involvement with Markaz as a retained Economic Advisor.

We wish him every success personally and as a member of the Markaz group!



# Markaz family celebrates New Year



# Markaz Graduate Development Program trainees share Their feedback

Launched in 2017 to develop comprehensive technical and interpersonal skills among the Kuwaiti youth and provide them with exciting career opportunities, the Markaz Graduate Development Program (MGDP) is a year-long program that allows fresh Kuwaiti graduates to gain work experience at Markaz. Despite the challenges of the global pandemic, MGDP was able to deliver yet another edition of remarkable learning experiences for trainees, as evidenced by their feedback on the program's effectiveness in imparting them new knowledge and skills through in-person and digital learning opportunities as well as extracurricular activities.



## 1 Abdulaziz Al-Thekair Human Resources

Markaz's Graduate Development Program helped me gain a broad overview of how investment companies work. Going through the different departments, we learned the importance of each and every one of them in ensuring the workflow. My personal experience was in an enabling department (Human Resources), and it taught me how each department is evaluated and how employees are assessed based on their job profiles. Understanding the duties of employees in different departments gave me a good insight into Markaz's functioning. I would recommend every graduate who is interested in exploring the financial/investments sector to apply to the program, as it is worth every second.

## 2 Anas Al-Ghannam Advisory

At Markaz, we had the opportunity to rotate between most of the departments, meeting helpful colleagues and experiencing the work aspects of each department. However, Covid-19 arrived around the

second month of the program, and we were forced to take some time off. Despite the lockdown, we were introduced to new digital platforms with online courses and virtual engagements that were very interesting and helpful. Eventually, we got back to the office, and I was assigned to the Advisory Department. There I met a great team that was very welcoming, and they trained me well throughout the program. I had the opportunity to analyze old projects and help with ongoing ones. I feel I gained enough experience and exposure to adapt at the workplace, as well as to work on projects independently and as part of a team.

## 3 Hussain Baba Wealth Management & Business Development

MGDP was exceptional this year. Rather than being an obstacle, the pandemic circumstances pushed Markaz further to expand its flourishing digital transformation. Part of this transformation was the Graduate program. I enjoyed and learned from all three phases (rotation, online learning, and allotment to the WMBD

department). As for the rotation, it had two benefits. First, I cumulated some knowledge from each department I visited. Second, it is important for a wealth manager to have a close relationship with each department, so building such a network was very helpful for me. Then, we continued our program remotely. The LeanTech program was an excellent alternative to explore other departments that I couldn't visit because of the pandemic. It was something like an academic course but interspersed with more case studies and more practically oriented. I appreciated Chris's informative lectures, probably because I was a non-finance graduate keen to explore the discipline, and I feel that I gained what I lacked from the university. I never felt I lagged. Finally, being allocated to the WMBD department was great news to me. I enjoyed circulating political and economic briefs of daily local and regional news to the department, presenting updates on US elections, Brexit, Kuwait's elections, ESG funds, MSCI indexes, and other updates on Boursa stocks (KFH REIT, Boursa Kuwait, Markaz, etc.). I would like to highlight that the reason for choosing the WMBD department during the rotation

period was that I valued three things in this department: 1- The diverse knowledge you obtain as a front desk employee required to stay up-to-date and connected to all vital departments. 2- Sociability is something I appreciate. Part of the job nature here was to be social with your colleagues and clients. 3- Abdullatif was a great manager who was very generous with his time, experience, and recognition. He always motivated us and never hesitated to spend some of his time every day to enlighten us, the trainees. I chose to be closer to him to learn not only about investment but also about other aspects of life. I wish him the best in his career and life.

**4 Khaled Al Saleh**  
International Investments Department

Markaz taught me a lot of things, starting with the online training program using Virbella and Amideast to tackle ethical issues in business. We also learned to present ourselves well at the workplace, in addition to being trained in technical modules like risk management, financial accounting, and artificial intelligence trading. Being in the international investments department, we used these tools to analyze overseas portfolios and compare portfolios with one another based on allocation, risk, liquidity, fees, etc., always challenging ourselves to surpass the market standards.

**5 Mansour Al Rukaibi**  
Capital Markets & Fixed Income

I am truly grateful and appreciative of Markaz for the opportunity they gave me. It was an informative, educational, and pleasant experience that provided me extensive knowledge on investments in the real world, in addition to helping me gain new skills with the help of the people I met in this wonderful journey.

**6 Munirah Al-Mailam**  
Post Acquisition

I really found my time at Markaz to be an enjoyable and valuable experience. We started our journey with rotations that gave us an idea of a typical day in various departments and what their work was like. Unfortunately, our time in the office was

**Markaz expanded my soft skills, as we underwent extensive training on how to act in a formal business environment/setting**

cut short due to the pandemic, and we were sent home. Markaz was incredibly flexible and adapted swiftly to the changing situation due to Covid-19, working with us to continue our training program online. We had online training for soft skills & technical skills. This was beneficial as it helped us gain an understanding of relevant topics, review what we should know, and fill the gaps in knowledge. After everything settled down, we went back to the office, to our respective departments. I was placed in the Post Acquisition department, which was quite interesting. Under the guidance of Mr. Alex and Mr. Salman, I was encouraged to continue developing new skills such as financial modeling. In addition to learning new skills, I got the opportunity to fine-tune other skills through my day-to-day tasks. I entered this program with the intention of exploring my options career-wise and to get a taste of working in different departments. I came out of this program with a higher level of knowledge and skills and an understanding of the different departments, and most importantly, having utilized my time well.

**7 Nada Al-Bader**  
Media & Communications

During my time at Markaz, I was mesmerized by the nurturing environment in the company, as every employee from the top-level management to the entry-level were treated equally. Markaz expanded my soft skills, as we underwent extensive training on how to act in a formal business environment/setting. Working in the Media & Communications Department taught me how to manage the media in relation to this specific industry. I learned the protocols of press releases and newsletters. While working in my assigned department, I proposed advertisement content, a social media campaign, as well as changes and additions to Markaz's Instagram page, like adding useful highlights. The purpose of some of the advertisement content was to increase traffic in Markaz's social media

page, and to enhance brand recall. I also suggested posts based on days from the marketing calendar that were relevant to Markaz's brand image. I thought of and proposed investment opportunities for children, teenagers, college students, and individuals who are confused or afraid.

**8 Naif Al-Othman**  
Compliance & Risk Management

Prior to the rotation at these departments, I had only a very basic level of understanding of these divisions. Although, after spending time at these departments I became well informed on several aspects. Since I started working at Compliance and Risk Management, I learned a lot about different aspects inside our department, such as creating a detailed monthly Excel report on changes in the stock prices, reporting daily and monthly percentage changes, and conducting due diligence on Markaz to check for risks prior to giving the approval to sign services contracts. Through my day-to-day experiences, I became well informed and experienced in this division.

**9 Nasser Al-Subaie**  
Financial Management

Markaz Graduate Development Program helped me gain experience and increased my knowledge across all things related to business. Rotation between different departments gave me an idea of all the operations within the company. Focused training within a single department helped me develop technical skills through day-to-day activities. One of the best experiences was the friendly environment and everyone's commitment towards making Markaz a more successful place.

**10 Turki Al-Haqqan**  
MENA Real Estate

I am truly thankful for the opportunity to participate in the Markaz Graduate Development Program as I gained much experience from it. The program also gave me the opportunity to grow and helped me assess my weaknesses and strengths. The time I spent in the program was beneficial and helped me understand the importance of the investment sector.



## Crowned with Trust



Throughout the past decade, Kuwait Financial Centre “Markaz” won more than 50 awards from prestigious financial institutions and publications. These awards reflect “Markaz’s” reliable performance and constant endeavor to achieve excellence in the investment banking and asset management fields.

With commitment towards wealth creation for its clients, dedication in offering innovative financial solutions and professionalism in all that it offers, Markaz has proudly gained the trust of its clients and international experts, who remain a key priority at Markaz.



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