

Financial Services SIG



SIG

The Financial Services Special Interest Group has held fairly regular meetings, including a social over the past few months.

The membership comprises those from the banking, insurance and legal professions, in a variety of roles. Our Group also includes Richard Northern and Jamie Bowden from the Embassy and provides a forum for debate and discussion on a variety of topics, primarily relating to the economic prospects for the Kingdom. Recent discussions have focussed on the Y2K issues and its implications. Clearly there are those who are more confident than others that we will all be having power, water and those other essentials on January 1, 2000, assuming we are all still here!

The fluctuations in the price of oil still leave us guessing as to how well the local economy will fare over the rest of the year and this will be a matter for debate at our next meeting. We are also hoping to hold various joint meetings with members of the other Special Interest Groups, to exchange views and ideas.

Peter Lyall
Chairman
Financial Services Special Interest Group.

To insure or Not to insure - That is the Question.

Acts of God - When it comes to insurance, are there such things?

We all hear about fires, thefts and accidents and decide whether or not to insure against them. Whilst it hasn't rained properly in Riyadh for nearly two years, the time will come, and many businessmen will be seriously affected by storms and floods (and hail - remember March 1996).

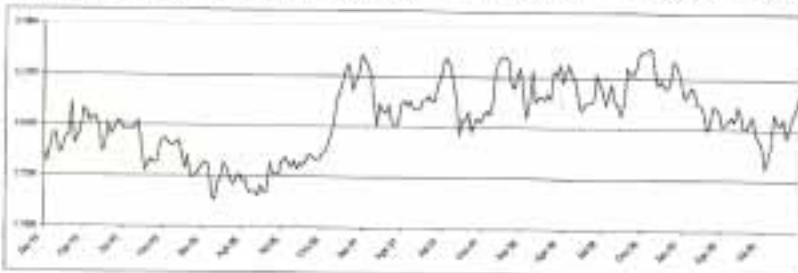
With or without insurance cover there is still disruption and potential difficulties with fulfilling orders or completing contracts. Apart from cover being available for material damage you can buy business interruption insurance which will indemnify you for your loss of profit arising from such an event. This cover will enable you to maintain continuity and protect the longevity of the business (perhaps even your job!) by ensuring that the financial interests are protected.

You don't need to take my word for it, speak to those in the sector and see what is available, either locally or internationally.

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EXCHANGE RATES

With the Saudi Riyal pegged to the US Dollar, the dear old British Pound seems to yoyo all over the place on occasion, or so it would seem to one who



only ever sends money one way. But what is really the truth. With a little help from Richard Hinchley at The Saudi British Bank in Riyadh and Reuters, I can

tell you that during the last five years the rate has varied between SR 5.6314 to the Pound and SR 6.3901. The actual rate you pay to send money home varies from day to day and on the day depending on how you send it. We'll take a look at that in the next issue.



NEW MD AT SABB

The Saudi British Bank (SABB) held a reception to bid farewell to Mr Sandy Flockhart Managing Director-SABB, and to welcome Mr David Hodgkinson as SABB's new Managing Director, on 11 October at the Riyadh Equestrian Club.

Sh. Abdullah Mohamed Al Hugail, Chairman of The Saudi British Bank, welcomed the invitees who included a number of officials, customers and journalists, and said, "The Bank is happy to have Mr

Hodgkinson to head it into the millennium. The wealth of experience he has in his career including three years in Riyadh previously will benefit SABB and assist him in building up the Bank operations still further." He also thanked Mr Flockhart, who had contributed to maintaining SABB at the forefront of Saudi banking since joining the Bank in January 1995.

Mr Hodgkinson joined the HSBC Group in 1969 and has worked in various capacities in a number of countries around the world including Saudi Arabia, where he served with SABB as Area General Manager - Central Province, from 1989-91.