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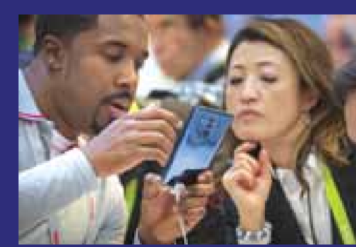


TENSE TRADE TALKS: Page 12

Retired US general warns against letting China dominate 5G

Qatar Chamber vows support for 'emerging small-scale projects'

Private sector leader Qatar Chamber has echoed its support for the growth in the country's micro, small and medium-sized enterprises (MSMEs), which are seen to contribute to future larger projects that could further drive economic development.

Speaking at the Nama Centre yesterday in a press conference announcing the launch of the 'Products Exhibition and the Conference of Pilot Projects' (Our Projects 2019), assistant director general for Government Relations and Committee Affairs Ali bu Sherbak al-Mansouri said Qatar Chamber "supports emerging small-scale productive projects."

He stressed the Chamber's keenness to be a strategic partner for 'Our Projects 2019', which aims to promote MSMEs by providing access to the local market and business opportunities, as well as "enhancing their presence and impact on the national economy."

Al-Mansouri said MSMEs are "an important component of the national economy, and as the nucleus of larger projects in the future, which enhances the contribution of the private sector to the national economy."

He also noted that the Chamber's support for the event reflects its initiatives to conduct local and international exhibitions and conferences, and to encourage diversification of products and services in this sector.

Through its sectoral committees, al-Mansouri said, Qatar Chamber is examining the challenges faced by MSMEs, and is working with authorities concerned to facilitate business for entrepreneurs, as well as "express opinion in an advisory capacity on regulations and laws related to this sector."

Earlier, Qatar Chamber chairman Sheikh Khalifa bin Jassim al-Thani had stressed that the private sector is expected to play a bigger role in building the state's economy via partnerships with the public sector to realise the goals of the Qatar National Vision 2030.

In an interview with *The Oil and Gas Year* magazine, Sheikh Khalifa lauded Qatar's efforts to put the private sector at the forefront and play a key role in the economy and participate in mega projects implemented in the country.

He stressed that the completion of projects in Qatar "will continue at the same pace even after 2022," adding that more than 150 major projects will be delivered after 2022, including projects in the infrastructure, roads, construction, healthcare, and education sectors.

Sheikh Khalifa also emphasised that the government's support for SMEs will help transform Qatar from an oil-based economy to knowledge-based, adding that SMEs represent the backbone of any economy worldwide.

"Qatar achieved during the past year most of its diversification and development plans. It has managed to build a strong and resilient economy, becoming one of the fastest-growing economies in the world. It also paved the way for the private sector to play a key role in the economy and participate in the mega-projects implemented in the country.

"All economic plans are on track and all infrastructure works and projects related to the World Cup 2022 are ongoing and were not affected by the blockade. Qatar was not affected by the blockade because of its huge resources, ambitious economic strategies, and positive relations across the globe," Sheikh Khalifa had said.

Al-Mansouri: Facilitating business for entrepreneurs.

QPay relaunches its services to facilitate growth of Qatar SMEs

Qpay International has announced the relaunch of its services to facilitate the growth of the small and medium-sized (SME) sector in 2019 as part of efforts to further strengthen its portfolio and sustain its leadership position in the fintech market.

From January 1, QPay is set to decrease the price of its fintech products and services offerings to reach out to as many SMEs as possible in helping them grow with lowest investments in leading technology.

QPay's fintech solutions, which include the company's first-of-its kind Payroll App, are now being used by more than 12,000 small businesses in Qatar, serving in excess of 200,000 employees.

Living up to its promise of supporting the Qatar National Vision 2030 goal for a diversified national economy, and mega infrastructure projects such as the FIFA World Cup 2022, "QPay has been increasingly looking at newer avenues to expand and prosper."

QPay International CEO and founder Nebil Ben Aissa, said, "Our major aim has always been to support the growth of SMEs and towards this end we have ambitious investment plans in place backed by strong products and services suite. We are confident that this updated proposition will equip new-age SMEs in realising their dreams and lead the tech-supported economy.

"Keeping up with the innovative spirit and a vision to offer a digitally-secure environment for companies to operate in, we are determined to work towards achieving a safe, secure and cashless economy."

He added, "Placing greater thrust on our valued customers' requirements, we have also decided to decrease the price of our products and services so that we can reach out to a larger number of SMEs and help them take advantage of our updated offerings and lead a fintech economy in Qatar. We believe that financial technology is the future of any economy and Qatar possesses the necessary skillsets to drive the Fintech growth globally."

Since its inception with the aim to increase the efficiency of small businesses, QPay has worked to establish strong relationships with local Qatari banks and regulators and building trusted partnerships.

Additionally, QPay is associated with more than 50% of the State's small business sector, which is a crucial contributor to the economy. These partnerships have enabled the leading financial institutions to see the added value provided by QPay in building a strong small business sector.

Gulf IPO outlook hinges on oil prices, secondary markets: Kamco

By Santhosh V Perumal
Business Reporter

The outlook for initial public offerings (IPO) in the Gulf Co-operation Council (GCC) this year will depend on secondary equity markets and oil price stability, even as the GCC sovereigns continue to propel the non-oil economy by largely maintaining their budget spending, according to Kamco Research.

"The issuers are likely to watch the development of secondary markets early on in 2019, and also ascertain whether taking the debt market route for capital needs would be viable," Kamco said in a report.

The REIT (real estate investment trusts) IPO volumes are likely to come down over structural issues affecting fundamental demand for real estate, and declining spreads between returns of REITs and deposit rates for safer time deposits going forward, it said.

"Nevertheless, we believe that companies from the GCC with unique business models, industry classification and ability to show capital efficiency should continue to garner increased interest from both the local and international investors looking at IPO participation," it added.

Highlighting that the IPO participation in the region came in from all GCC countries, Kamco said Qatar Aluminium Manufacturing Company gained 33.5% from its offer price at the end of 2018, but was down by 25.8% from the listing price that the company's shares opened at, on the Qatar Stock Exchange.

Gulf IPOs remained active in 2018, although primary market issuances cooled off from 2017 levels, both in number of issuances and capital raised, Kamco said, adding total number of corporate IPOs and REIT IPOs combined in the region declined to 18 from 28 in 2017, but remained higher than those in 2015 (six issuances) and 2016 (four issuances).

Finding that capital raised via IPOs fell 18% to $2.7bn in 2018, Kamco said nevertheless, unlike in 2017 where REITs dominated the IPOs in the GCC, corporate IPOs led primary markets in 2018, as they contributed 56% of the number of issuances and 62% of the capital raised. Moreover, the GCC witnessed the widest participation from issuers within the region, as capital was raised from issuers across the GCC, it said.

"Having said that, although the IPO market in the region has picked up in 2017 and 2018, corporate issuers continue to look for reduced volatility in oil prices, and a stable near term outlook for secondary markets within the region, to take to the primary market," it said.

QFBA, QFCA partner to host seminar on aviation financing

The Qatar Finance and Business Academy (QFBA) has collaborated with the Qatar Financial Centre Authority (QFCA) to deliver a seminar on 'Aviation Financing' as part of efforts to capture "newer horizons of growth" and empowering Qatar's financial sectors.

In a statement, QFBA said aviation finance "is turning out to be a lucrative business proposition for Qatar." "At present, there is no hub for aviation financing in the region, and QFCA aims to gain the first-mover advantage," the academy said.

QFBA said the four-day, custom-designed programme provided attendees with the finer nuances of aviation financing, right from basics to the advanced level, including export credits, capital markets, tax leases, and common financing tools, among others "thereby preparing new age leaders to drive change."

QFBA CEO Dr Khalid al-Horr said, "We are proud to associate with QFCA to deliver such a path breaking seminar. Aviation financing will open up immense opportunities for new age finance professionals of Qatar and would certainly offer them a competitive edge. QFCA has been an undisputed leader in assisting companies to expand their base in Qatar and this new addition will once again position it as the preferred partner to bank on.

"Our abled team has carefully designed this programme after scrutinising the prevailing market conditions and what one should look for in the aviation financing space. We are certain that the attendees will greatly benefit out of this programme and be able to apply that knowledge into their respective workplaces. We are thankful to QFCA to have given this opportunity and help in supporting the Qatar National Vision 2030."

Qatar Financial Centre CEO Yousef al-Jaida said, "Qatar Financial and Business Academy possesses greater knowledge and expertise when it comes to honing skills of new age professionals.

"Aviation financing in Qatar is growing as a sunrise industry and hosting this seminar provided the much-needed nuances into the upcoming industry to prepare the young entrepreneurs towards capturing newer horizons. It was indeed a treasure trove of information and in the future as well, we would certainly collaborate with QFBA to empower about next generation."

The four-day, custom designed programme provided attendees with the finer nuances of aviation financing, right from the basics to the advanced level

BUSINESS

Qatar shares close flat despite buying interests

By Santhosh V Perumal
Business Reporter

Six of the seven sectors witnessed buying interests, but the Qatar Stock Exchange managed to gain only two points yesterday.

The Gulf institutions were increasingly net buyers as the 20-stock Qatar Index settled 0.02% higher at 10,352.22 points.

Non-Qatari and the Gulf individuals turned marginally bullish in the market, which closed 0.52% higher year-to-date.

Market capitalisation grew 0.27%, or about QR2bn, to QR592.78bn mainly owing to micro and small cap segments.

Islamic equities were seen gaining faster than the main index in the market, where domestic funds were increasingly net profit takers.

Trade turnover fell amid higher volumes in the bourse, where the industrials, telecom and banking sectors together accounted for more than 84% of the total volume.

The Total Return Index was up 0.02% to 18,239.46 points, the All Share Index by 0.34% to 3,107.88 points and the Al Rayan Islamic Index (Price) by 0.1% to 2,416.46 points.

The insurance index soared 1.06%, followed by real estate (0.69%), transport (0.41%), banks and financial services (0.35%), telecom (0.27%) and consumer goods (0.22%); whereas industrials was down 0.06%.

About 63% of the stocks extended gains with major movers being Qatari German Company for Medical Devices, Aamal Company, Qatar Insurance, Ezdan, Gulf Warehousing, Doha Bank, QIIB, Qatar Oman Investment and Widam Food; even as Commercial Bank, Masraf Al Rayan, Industries Qatar, Mesaieed Petrochemical Holding, Barwa and Mazaya Qatar were among the losers.

The QSE's market capitalisation grew 0.27%, or about QR2bn, to QR592.78bn yesterday

Gulf funds' net buying increased perceptibly to QR6.15mn compared to QR3.28mn the previous trading day.

Non-Qatari individuals turned net buyers to the tune of QR6.13mn against net sellers of QR0.06mn on January 3.

Gulf individuals were also net buyers to the extent of QR0.03mn compared with net sellers of QR1.51mn last Thursday.

Domestic funds' net profit booking declined substantially to QR3.11mn against QR28.09mn the previous trading day.

However, local individuals' net selling grew marginally to QR33.6mn compared to QR32.23mn on January 3.

Non-Qatari institutions' net buying weakened significantly to QR24.39mn against QR58.59mn last Thursday.

Total trade volume rose 34% to 10.11mn shares, while value fell 25% to QR148.81mn and transactions by 16% to 5,676.

The telecom sector's trade volume more than quadrupled to 2.59mn equities, value soared 87% to QR23.23mn and deals by 15% to 491.

The consumer goods sector's trade volume doubled to 0.3mn stocks, while value declined 33% to QR4.15mn and transactions by 20% to 181.

The insurance sector reported a 53% surge in trade volume to 0.23mn shares and 66% in value to QR8.61mn but on a 3% fall in deals to 131.

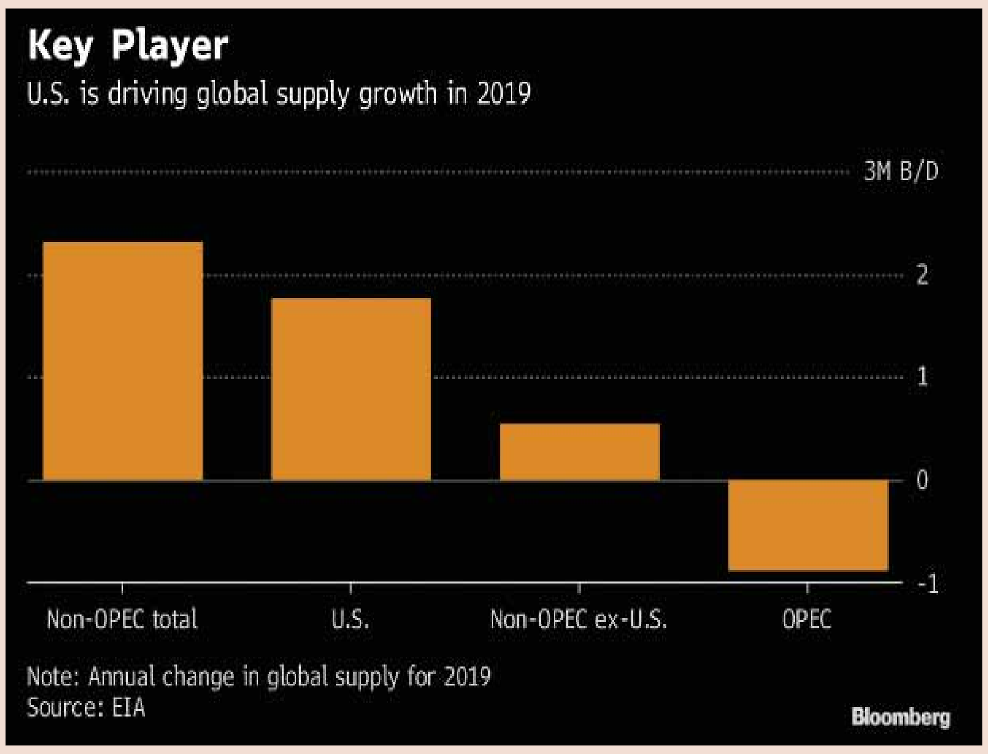
The banks and financial services sector's trade volume shot up 16% to 1.67mn equities, whereas value shrank 63% to QR31.21mn and transactions by 58% to 648.

There was a 13% increase in the industrials sector's trade volume to 4.27mn stocks but on a 7% fall in value to QR62.11mn despite a 2% higher deals at 3,650.

However, the real estate sector's trade volume plummeted 24% to 0.96mn shares, value by 24% to QR16.21mn and transactions by 37% to 441.

The transport sector saw a 23% plunge in trade volume to 0.1mn equities but on a 22% jump in value to QR3.29mn despite a 22% lower deals at 134.

In the debt market, there was no trading of treasury bills and sovereign bonds.



Beyond Opec cuts or shale lurk lesser-known cues for oil in '19

Bloomberg
London

As the new year begins, the oil market looks set to be dominated by big shifts in production.

Opec and its allies will start removing 1.2mn bpd of crude to support prices that fell sharply in the fourth quarter, but they're contending with rising US shale output and expanding fuel stockpiles.

This supply battle is well documented, but a number of other factors were influencing prices late in 2018 and could offer some clues about the direction of the market in the next 12 months:

Bulls on the run

Oil bulls dashed for the exit last year. Speculators' combined net positions in WTI and Brent steadily fell in the second half, ending 2018 near the lowest level in three years. If they decide to return, that would be a significant shift in the market.

"Any change in the technical and/or fundamental outlook pointing towards higher prices could trigger quite a buying response," said Ole Hansen, head of commodity strategy at Saxo Bank A/S.

So what could trigger investors to enter new long positions?

"Low spare capacity, US production, or the rise in US exports could all give some relief to the build in US crude inventories," said Hans Van Cleef, ABN Amro Bank NV's senior energy economist.

Stronger sanctions on Iran, increased geopolitical tension or a trade deal between China and the US could also see the bulls returning, he said.

Dollar disruption

In the past few months oil has traded in a range that fundamentally makes sense if you consider emerging markets, said Norbert Ruecker, head of macro and commodity strategy at Julius Baer Group Ltd. When crude advanced above $75 a barrel, the rising cost of fuel dented demand growth in these emerging economies, meaning prices couldn't stay that high for long. So the relationship between the dollar and currencies in China, Turkey or other centres of demand growth are "a key factor to watch" for crude markets.

"Weak emerging market currencies have lowered the threshold at which the global oil price becomes an economic burden," said Ruecker.

"Any rebound would raise the ceiling on higher oil prices and, vice versa, any further softening re-establishes the pressure on oil demand growth."

Economic slowdown

There is increasing anxiety a global economic slowdown could curb oil demand growth. When the US Federal Reserve hiked interests rates on December 19, oil ended the week 11% lower at $45.59 a barrel in New York, the biggest weekly slump in almost three years. Those concerns aren't likely to dissipate in 2019.

"Major forecasting institutions have made downward revisions to their estimates of GDP growth," said Neil Atkinson, head of the International Energy Agency's oil market division.

"There are concerns that tensions between major powers could hamper international trade."

Opec sends fewest oil cargoes to US in at least five years

Reuters
Houston

Opec crude cargoes leaving for the US in December dropped to the lowest level in at least five years, data from Refinitiv Eikon and market intelligence firm Kpler show.

Oil cargoes departing from Opec nations to the US fell to 1.63mn bpd last month, down from 1.80mn bpd in November and 1.78mn bpd in October, the data show.

Opec's leading members and several others curbed supplies in the face of rising US production and inventories, analysts said.

"Some of it was a decline in Opec production," said Andy Lipow, president of Lipow Oil Associates in Houston. "But they're facing competition from US shale and Canadian production."

Opec and allies including Russia agreed last month to cut crude production beginning this month by 1.2mn bpd, following a strategy to support prices when supplies overwhelm demand.

Opec pumped 32.68mn bpd last month, according to a Reuters survey, down 460,000 bpd from November, suggesting some members moved to reduce supplies ahead of the recent accord. Vessels last month carried about 534,000 bpd from Opec's leading member to the US, down from 632,000 bpd in November.

Algeria sent 10,000 bpd, down 94,000 bpd, and Nigeria shipped 103,000 bpd, down by 48,000 bpd, according to Kpler.

World's riskiest assets suddenly seem a whole lot more appealing

Bloomberg
New York

Emerging markets look to be in a sweet spot.

Developing-nation assets roared back on Friday after Federal Reserve chairman Jerome Powell said policymakers are "listening carefully" to markets, denting the dollar and boosting the allure of riskier investments.

Leading the charge among currencies was the Turkish lira, one of last year's biggest losers. It posted its best one-day gain against the greenback since October and every major emerging-market currencies advanced. The global economic outlook also received a boost from a better-than-expected US jobs report.

While a one-day rally may well be just that, bulls say developing-nations assets are close to a pivot point. Bank of America's Bull & Bear Indicator, a gauge that told investors to sell right before emerging markets tanked a year ago, just flashed its first buy signal for risky assets since the Brexit vote in June 2016. Meanwhile, Citigroup Inc upgraded developing-nation shares, calling them its "preferred value play," and BlackRock said attractive valuations offer a positive backdrop for the asset class.

"You have Fed pricing that's very non-threatening, you have the US economy doing quite well despite some of the hyperventilation about where it's going," said Ilya Gofshteyn, a strategist at Standard Chartered in New York. He expects the lira and other 2018 stragglers such as the Argentine peso, South African rand and Russian rouble to climb in the first quarter.

It wasn't just currencies. The largest emerging-market equity exchange-traded fund had its biggest gain in more than two months, while the risk premium on sovereign debt narrowed by the most since November 2016, according to data compiled by JPMorgan Chase & Co.

A 100 Turkish lira banknote is seen on top of 50 lira banknotes in this picture illustration in Istanbul. Leading the charge among currencies on Friday was the lira as it posted its best one-day gain against the greenback since October, and every major emerging-market currencies advanced.

Helping underpin the rally was optimism ahead of next week's meeting between US and Chinese delegations on resolving trade disputes that have rattled global markets. In addition, the People's Bank of China said it will trim its reserve requirement ratio by 1 percentage point, releasing about $116bn of liquidity. The attempt to shore up the nation's slowing economy will feed into broad emerging-market strength, according to Frances Donald, the head of macro strategy at Manulife Asset Management in Toronto.

"Meaningful policy easing from Beijing that could support a bottoming-out in Chinese growth has been the missing key ingredient for the EM complex," she said.

For now, 2019 is looking pretty upbeat for the developing world.

Friday "will best be remembered for being a big risk-positive day," said Alan Ruskin, chief international strategist at Deutsche Bank AG.

China FX pledge lifts sentiments on Pakistan's stock market

Internews
Karachi

The stock market of Pakistan started on a firm footing in the first week of the New Year with the benchmark KSE-100 index claiming gains of 380 points (0.13%) to settle at 37,548.

There was slight effect of fresh January buying while the positive trend that followed two earlier weeks of sluggish performance was underpinned mainly by the massive gains of 929 points that the index was able to notch up on Tuesday. That was due to investors' frenzied buying after reports of Chinese pledge to lend $2bn to Pakistan to shore up dwindling foreign exchange reserves. To add icing to the cake, Finance Minister Asad Umar proclaimed that the biggest investment in country's history was about to arrive from a GCC state.

But for most of the other trading days, the index moved in wide intraday swings in essentially choppy trade as investors remained in search of triggers. The last two sessions erased the earlier day's gains.

On the political front, noises simmered down amid delay in the ex-president's trial following the Supreme Court's directive to review the list of people placed on the exit control list. The ruling party's clarification that it had no intention of imposition of governor rule in Sindh helped the temperatures to decrease.

US president expressed his desire to meet Pakistan's new leadership soon in order to strengthen bilateral ties, which also set some of the concerns at rest.

On macro side, there were mixed signals as the Pakistan Bureau of Statistics reported lower than expected inflation of 6.17% for December 2018 against the consensus estimate of 6.55%.

But the State Bank reserves fell by $170mn during the week to $7.29bn, further pulling the country's total reserves down to $13.84bn amid regular debt payments.

Market participation improved as average daily traded volume clocked in at 118m shares, up 7%, while traded value also increased by 14% to $41mn, representing movement in blue-chip stocks. Foreign selling of equity continued for the 35th week in succession with net outflows of $0.51mn, mainly concentrated in banking sector worth $0.14mn and technology $0.08mn.

Meanwhile, most of the buying was witnessed in cement amounting to $0.45mn and fertilizers $0.2mn. Amongst the local participants, insurance companies turned out to be the biggest sellers of equity worth $14.7mn. It was mainly absorbed by mutual funds' net buying of $13.4mn and companies $3.5mn.

Sector-wise, the market was mainly driven by commercial banks, adding 244 points, on renewed buying interest while oil and gas exploration sector added 131 points led by 10% rally in Brent to $57. On the flip side, sectors that contributed negatively included food and personal care products, decreasing by 53 points, auto assembler 27 points and oil and gas marketing companies 26 points owing to decline in petroleum sales.

Fresh drug price notification released by the Drug Regulatory Authority of Pakistan during the end of the week failed to excite investors as pharmaceutical edged lower by 0.1%.

Major gaining scrips were Bank Al Habib, up 10.53%, Engro Corp 5.22% and Habib Bank 4.29%, adding 288 points.

Other gainers were the major exploration and production stocks: Oil and Gas Development Company, Pakistan Petroleum and Pakistan Oilfields. Going forward, market gurus pinned hopes on expected visits of some Gulf leaders in January and February, respectively, which were thought to yield potential lucrative agreements.

Investor interest would be driven by the decision regarding International Monetary Fund programme anticipated during the month.

Market participants would focus on the presentation of a potential mini-budget in order to meet fiscal deficit target. Pakistan's performance review under Financial Action Task Force is also due from January 8-10 in Sydney which could lead to boom or bust in investor sentiments.

ADB, Balochistan sign agreement for $107mn irrigation project

Internews
Quetta

The Asian Development Bank (ADB) and the Balochistan government have signed an agreement for a $107mn project aimed at improving irrigation infrastructure and water resource management in the province.

Additional chief secretary of Planning and Development Sajjad Ahmed Bhutta and ADB country director Xiaohong Yang signed the agreement during a ceremony which was also attended by Chief Minister Jam Kamal Khan Alyani and provincial ministers Nawabzada Tariq Hussain Magsi and Zahoor Ahmed Buledi.

"Agriculture remains the backbone of Balochistan's economy," said Yang on the occasion. "This project will introduce efficient water usage systems and practices to help farmers improve productivity and farm incomes," she added.

Agriculture accounts for almost two-thirds of Balochistan's economic output and employs 60% of the province's 13mn population, but the drought-like situation in many parts of the province for years and poor water management has put the agriculture sector and those who rely on it at risk. The poverty rate in the province is almost double the national average.

The ADB will also administer two grants for the project, including $3mn from the Japan Fund for Poverty Reduction and $2mn from the High-Level Technology Fund.

The Balochistan Water Resources Development Sector Project will focus on improving irrigation infrastructure and water resource management in Zhob and Mula river basins. The two rivers irrigate vast areas of farmland in Balochistan.

Among the infrastructure that will be upgraded or built for the project are a watershed protection dam and command area able to hold 36mn cubic metres of water; 276km of irrigation channels and drainage canals; and facilities that will make it easier for people, especially women, to access water for domestic use. In total, about 16,592 hectares of land will be added or improved for irrigation.

The project will protect watersheds through extensive land and water conservation efforts, including planting trees on 4,145 hectares of barren land to combat soil erosion.

Its output includes pilot testing of technologies, like solar-powered drip irrigation systems on 130 hectares of agricultural land, improving crop yields and water usage on 160 fruit and vegetable farms, and demonstrating high-value agriculture development.

"The project will also establish a water resources information system that will use high-level technology such as satellite and remote sensing to conduct river basin modelling and identify degraded land for rehabilitation," said Yang.

The ADB will also administer two grants for the project, including $3mn from the Japan Fund for Poverty Reduction and $2mn from the High-Level Technology Fund.

In addition, a $2mn technical assistance will help Balochistan's provincial government improve its institutional capacity to address the risks and potential impact of climate change in the agriculture sector, as well as build a climate-resilient and sustainable water resources management mechanism in the province.

Pakistan govt opposes additional customs duty

Internews
Islamabad

The PTI-led government is considering various proposals for increasing taxes on cigarette industry in the range of Rs15bn to 20bn through mini budget expected to be unveiled during the ongoing month, it was learnt yesterday.

The government is considering various tax proposals for slapping additional taxes of Rs150bn to Rs160bn in remaining second half (Jan-June) period of the current fiscal year.

Now different proposals are under consideration to find out ways and means to bridge the shortfall in FBR's tax collection target that had already touched more than Rs160bn in first six months of the ongoing fiscal year.

The official sources claimed that the proposal of slapping 1% additional custom duty has been rejected by the PTI government arguing that it could cause harm to the industry as their cost of doing would escalate with approval of major revenue spinner.

The additional 1% custom duty could fetch Rs80bn to 85bn. But when the officials were asked how the additional collection of Rs150-160bn would be collected they stated that the tax proposals would be finalised next week.

In a bid to firm up proposals, an important meeting held at Finance Ministry in which the FBR's Members also participated to finalise tax proposals for upcoming mini budget.

However, the chairman FBR could not attend the meeting because he had gone abroad on his personal visit.

There are different proposals related to tobacco industry including abolishing third tier system and place two tier system.

The second proposal is to increase tax rates to bring in line with the advice of WHO as there is still some room for increasing tax burden while sticking to the three tier system.

Over 200 Pakistan firms to participate in German fair

Internews
Karachi

The textile industry's biggest exhibition, Heimtextil, is set to kick off in the German city of Frankfurt on January 8.

About 222 Pakistani companies have headed to Germany to take advantage of the fair and win over European and other buyers.

Exporters believe that the Heimtextil exhibition will play a crucial role in increasing Pakistan's stagnant exports. Through this exhibition, traders can determine the trends followed by European buyers, get export orders on a large scale and attract old customers.

Owing to the European Union's GSP Plus facility for Pakistan, the importance of this exhibition has increased further.

The Trade Development Authority of Pakistan has also set up a pavilion at the fair to showcase Pakistan's products. Pakistan is the fourth biggest participating country in the event. The fair, which will continue till January 11, will play host to 2,908 exporters from different countries.

SPOTLIGHT ON COMMODITIES

Commodities find a bid as year 2019 begins

By Ole Hansen

A tumultuous first trading week of 2019 headed towards a calmer close. After hitting a 33-months low the Bloomberg Commodity Index managed to climb to record its first weekly gain in five. The global market rout was caused by economic and political uncertainty as well as tightening liquidity paused on Friday after Beijing confirmed that a US trade delegation would visit on January 7-8.

Hopes for a breakthrough have been raised as the impact of the trade war between the US and China begins to show up in weaker-than-expected economic data from the world's two biggest economies. While US stocks began January having recorded their worst December since the early 1930s, the currency market had been a sea of calm, at least up until this week. The first profit warning in 16 years from Apple, due to a slowdown in Chinese demand, sent a shiver through the markets and helped trigger a global risk-off wave.

This combined with an illiquid holiday market in Japan saw the Japanese yen rip higher. The AUDJPY cross, often seen as a proxy for the health of the Asian market dropped by 7% before recovering all its losses once Tokyo reopened on Friday. These and other developments helped send the dollar lower for a third week, thereby providing some additional support for commodities.

Into this mix of uncertainty and volatility, commodities generally managed to kick off 2019 with gains across most sectors. The bellwether oil sector led from the front with global growth and demand concerns outweighed by a dramatic December production cut from Opec. Brent crude, which in late December found support at the critical technical and psychological $50/barrel level, was heading for its best week since last April.

Precious metals surged higher for a third week but calmer markets elsewhere and very overbought conditions — as revealed by the Relative Strength Index — have raised the need for consolidation. This phase now seems to have emerged with profit-taking seen in gold after it briefly touched $1,300/oz on Friday.

The table shows how movements of the dollar, stocks and bonds have supported renewed demand for safe-haven assets such as gold. However, silver has been the best performer of the two on its historical cheapness to gold. Going forward, developments across these markets will help determine the strength of demand, and with that the direction.

Those looking for a longer-term bet on gold tend to use exchange-traded funds and this sector saw the biggest increase in total holdings last quarter since Q1'17.

Hedge funds finally turned net-long at the beginning of December after holding a record net-short in COMEX gold futures back in early October.

Please note that due to the US government shutdown the CFTC has not issued any Commitments of Traders reports since the week of December 18. The COT report provides an important weekly insight into the size and direction of positions held by hedge funds across key futures markets from currencies to bonds and not least commodities.

The outlook for gold into 2019 looks promising at this stage. We believe that it may take some time for stocks to recover with news from the US-China trade negotiations and Q4 earnings likely to set the short-term direction. The Federal Reserve is widely expected to further reduce its current call for another two rate hikes this year.

The dollar, as usual, holds the key for gold and at this stage we see the risk of further dollar weakness, although it may not fully emerge before the second half of this year. After rallying by $138 since August and following its best quarterly performance since Q1'17, gold looks set to pause after briefly touching $1,300/oz. Given the recent strength and changed sentiment towards safe-haven assets, we suspect a correction could run out of steam before $1,265/oz; bulls may only begin to worry on a break below $1,250/oz as the potential for further gains remain elevated.

Crude oil is beginning to show signs of support following the +40% collapse since last October. Since hitting the key technical and psychological $50/b level last week it has managed to recover strongly due to an improved outlook for both supply and potentially also demand.

On the supply side, the Dallas Fed in its Q4 Energy Survey said that the region's oil and gas sector growth had stalled amid the sharp oil price decline. The (anonymous) comments from top oil and gas executives provide a good insight into the renewed stress caused by the dramatic price slump. US shale oil production growth is likely to slow following the price slump, but if the 2014 to 2016 sell-off is anything to go by it may take up to six months before the impact becomes visible in the data which for now continue to show year-on-year growth close to 2mn barrels/day.

While doubts are being raised by US production growth going forward, Opec responded strongly to the worsening outlook by slashing December crude oil production by the most since January 2017. Monthly production surveys from Bloomberg and Reuters both showed that Opec had cut production by around 500,000 barrels to 32.6mn barrels/day. The slump was led by a voluntary reduction from Saudi Arabia (420,000 b/d) and unplanned reductions from Iran (120,000 b/d) and Libya (110,000 b/d).

While supply reductions may begin to provide some support, the demand outlook needs to stabilise as well. The previous sell-off occurred during a time of rising demand; on that basis producers found it relatively easy to trim output and change the direction of oil. This time is different with Opec and other producers not only having to deal with a renewed pickup in US production which may take months before slowing.

They also must worry about the global outlook for growth and demand, something over which they have no control. The fact that China (the world's biggest importer of oil) and the US (the biggest consumer) are fighting a trade war is a matter of concern. This concern, however, has yet to be reflected in the official forecasts from Opec, the EIA, and the IEA. During the past six months they have only reduced global demand growth by an average of 100,000 barrels/day to 1.4mn.

Having found support at $50/b, Brent crude oil is now challenging resistance at $57.50/b, the November low. A break higher could see a return to the previous consolidation area around $60/b.

Natural gas has returned to $3/therm following the mid-November cold blast surge to almost $5/therm. The weakness has been driven by a return to unseasonal mild temperatures across the US lower 48 states leading to smaller-than-average stockpile draws. These developments have by now removed the fear of an end of (winter) season supply crunch.

Soybeans and grains in general traded higher amid export optimism which could help reduce bloated stocks left over following a bumper crop season and the trade war with China. US soybean export being supported by the return of Chinese buyers and concerns about adverse weather in parts of Brazil where the harvest is about to begin. Chicago priced wheat have recently fallen below Russian and this combined with signs of slowing exports from the Black Sea region has lend support to the price.

HG copper recovered from an 18-month low after surviving an attempt to force it below the $2.55/lb to $2.85/lb range that has prevailed since last July. The price initially tumbled after Chinese manufacturing PMI contracted, US manufacturing ISM dropped the most in a decade and analyst forecast of the first drop in global auto sales in a decade. Support only emerged after news about next week's resumption of trade talks while China's government pledged to strengthen counter-cyclical economic policies. The first sign of this came from the PBoC which on Friday announced that banks reserve ratios would be cut by 1%.

■ *The author is head of commodity strategy at Saxo Bank.*

BUSINESS

QATAR

Company Name	Lt Price	% Chg	Volume
Zad Holding Co	106.49	0.94	3,174
Widam Food Co	71.90	4.02	10,697
Vodafone Qatar	7.95	0.76	2,546,327
United Development Co	15.19	0.33	487,057
Salam International Investme	4.44	2.30	850
Qatar & Oman Investment Co	5.42	3.04	12,090
Qatar Navigation	66.80	0.15	6,059
Qatar National Cement Co	60.00	-0.22	12,197
Qatar National Bank	194.86	0.78	44,515
Qatar Islamic Insurance	55.46	3.24	1,000
Qatar Industrial Manufactur	42.98	1.37	2,750
Qatar International Islamic	67.39	1.19	31,416
Qatari Investors Group	28.00	0.07	41,042
Qatar Islamic Bank	154.00	0.06	49,041
Qatar Gas Transport(Nakilat)	17.98	0.45	31,741
Qatar General Insurance & Re	50.50	0.00	-
Qatar German Co For Medical	5.86	9.94	269,850
Qatar Fuel Qsc	165.90	0.01	6,448
Qatar First Bank	4.04	-0.49	1,241,588
Qatar Electricity & Water Co	184.79	-0.33	21,069
Qatar Exchange Index Etf	102.55	0.44	250
Qatar Cinema & Film Distrib	19.02	0.00	-
Al Rayan Qatar Etf	24.22	1.13	1,200
Qatar Insurance Co	37.66	1.40	226,153
Ooredoo Qpsc	77.00	0.00	39,275
National Leasing	8.85	-0.67	20,452
Mazaya Qatar Real Estate Dev	7.67	-0.39	168,813
Mesaieed Petrochemical Holdi	15.17	-0.98	408,362
Al Meera Consumer Goods Co	147.02	-0.93	319
Medicare Group	62.99	0.70	6,568
Mannai Corporation Qsc	56.48	-0.89	150
Masraf Al Rayan	41.74	-0.50	97,405
Al Khalij Commercial Bank	11.55	0.87	11,770
Industries Qatar	133.11	-0.56	27,247
Islamic Holding Group	22.50	-2.60	480
Investment Holding Group	4.80	0.42	118,739
Gulf Warehousing Company	39.80	1.02	57,980
Gulf International Services	17.01	0.12	203,799
Ezdan Holding Group	13.40	1.52	173,742
Doha Insurance Co	12.13	0.00	-
Doha Bank Qpsc	22.33	1.55	102,409
Dlala Holding	10.00	0.20	38,326
Commercial Bank Pqsc	39.40	-1.20	18,246
Barwa Real Estate Co	39.50	-1.00	129,394
Al Khaleej Takaful Group	8.40	-2.33	220
Aamal Co	9.52	4.50	873,561

SAUDI ARABIA

Company Name	Lt Price	% Chg	Volume
United Wire Factories Compan	14.54	1.25	220,212
Etihad Etisalat Co	16.48	0.00	853,820
Dar Al Arkan Real Estate Dev	9.01	0.33	4,231,287
Alawwal Bank	15.00	0.00	617,814
Rabigh Refining And Petroche	19.28	2.01	421,526
Banque Saudi Fransi	31.10	-0.64	268,196
Saudi Enaya Cooperative Insu	21.90	2.34	905,776
Mediterranean & Gulf Insuran	16.50	1.60	175,062
Saudi British Bank	33.25	1.06	283,952
Red Sea International Co	15.62	-1.64	97,039
Takween Advanced Industries	9.61	1.16	187,502
Sabb Takaful	17.20	0.47	156,162
Saudi Arabian Fertilizer Co	76.00	-0.52	88,948
National Gypsum	11.78	-0.17	95,531
Saudi Ceramic Co	19.56	0.20	46,180
National Gas & Industrializa	28.15	0.00	7,280
Saudi Pharmaceutical Industr	30.05	0.17	151,793
Thimar	27.20	0.00	249,453
National Industrialization C	15.14	0.40	1,657,140
Batic Investments And Logist	37.00	-1.46	98,780
Saudi Electricity Co	15.18	-0.39	969,619
Saudi Arabia Refineries Co	42.05	0.24	213,272
Arriyadh Development Company	17.46	0.00	164,413
Al-Baha Development & Invest	22.76	0.44	305,008
Saudi Research And Marketing	83.10	-0.24	46,959
Aldrees Petroleum And Transp	36.70	-0.41	112,388
Saudi Vitrified Clay Pipe Co	52.40	1.55	10,604
Jarir Marketing Co	153.20	0.79	153,154
Arab National Bank	32.30	1.10	1,050,123
Yanbu National Petrochemical	64.60	1.89	507,545
Arabian Cement	22.18	0.36	118,264
Middle East Specialized Cabl	12.26	0.00	118,722
Al Khaleej Training And Educ	13.80	2.22	490,435
Al Sagr Co-Operative Insuran	12.52	0.48	106,118
Trade Union Cooperative Insu	0.00	0.00	-
Arabia Insurance Cooperative	16.20	-0.12	88,899
Saudi Chemical Company	30.40	0.16	39,759
Fawaz Abdulaziz Alhokair & C	22.08	0.82	103,957
Bupa Arabia For Cooperative	81.30	0.87	216,515
Wafa Insurance	9.50	0.00	-
Jabal Omar Development Co	32.90	-1.50	1,224,636
Saudi Basic Industries Corp	118.80	1.37	2,470,977
Saudi Kayan Petrochemical Co	13.70	2.70	10,424,656
Etihad Atheeb Telecommunicat	5.35	0.00	-
Co For Cooperative Insurance	61.30	0.82	175,447
National Petrochemical Co	24.54	2.42	460,155
Gulf Union Cooperative Insur	14.70	0.55	404,976
Gulf General Cooperative Ins	13.48	-0.59	58,591
Basic Chemical Industries	22.50	2.27	103,340
Saudi Steel Pipe Co	17.80	0.00	39,833
Buruj Cooperative Insurance	26.60	0.38	75,018
Mouwasat Medical Services Co	80.10	0.25	41,924
Southern Province Cement Co	37.00	0.00	16,593
Maadaniyah	17.24	0.12	58,251
Yamama Cement Co	12.90	-0.31	105,467
Jazan Energy And Development	14.42	-1.23	129,575
Zamil Industrial Investment	17.60	-0.11	41,458
Alujain Corporation (Alco)	19.70	-0.31	826,783
Tabuk Agricultural Developme	9.94	-0.10	77,100
United Co-Operative Assuranc	11.86	-0.84	120,383
Qassim Cement/The	32.15	1.10	59,194
Saudi Advanced Industries	13.86	5.00	1,735,179
Kingdom Holding Co	7.70	-0.52	221,271
Saudi Arabian Amiantit Co	5.80	-0.17	363,865
Al Jouf Agriculture Developm	21.34	0.57	33,211
Saudi Industrial Development	8.20	0.12	140,298
Riyad Bank	19.48	-0.31	398,650
The National Agriculture Dev	28.90	0.35	33,212
Halwani Bros Co	44.65	-0.67	63,922
Arabian Pipes Co	9.19	-0.22	205,051
Eastern Province Cement Co	20.30	-0.20	125,743
Al Gassim Investment Holding	10.58	0.00	275,403
Filing & Packing Materials M	34.35	0.29	27,458
Saudi Cable Co	38.20	0.00	207,611
Tihama Advertising & Public	43.90	0.23	116,618
Saudi Investment Bank/The	17.26	0.35	287,677
Astra Industrial Group	16.10	0.25	27,333
Saudi Public Transport Co	14.00	-0.28	294,095
Taiba Holding Co	29.90	-0.50	111,545
Saudi Industrial Export Co	89.10	0.34	273,544
Saudi Real Estate Co	12.14	-0.16	186,836
Saudia Dairy & Foodstuff Co	104.20	-0.10	74,231
National Shipping Co Of/The	33.35	0.60	349,276
Methanol Chemicals Co	9.25	0.33	906,629
Chubb Arabia Cooperative Ins	18.40	0.55	38,130
Mobile Telecommunications Co	8.22	-0.24	3,673,144
Saudi Arabian Coop Ins Co	11.70	0.52	115,504
Axa Cooperative Insurance	22.60	-0.26	85,304
Alsorayai Group	15.08	-0.26	918,929
Bank Albilad	28.25	0.18	471,352
Al-Hassan G.I. Shaker Co	8.51	0.12	116,943
Wataniya Insurance Co	23.96	1.10	225,784
Abdullah Al Othaim Markets	69.60	-0.29	48,038
Hail Cement	7.91	0.00	70,283
Saudi Re For Cooperative Rei	8.03	0.75	330,577

SAUDI ARABIA

Company Name	Lt Price	% Chg	Volume
Solidarity Saudi Takaful Co	16.30	-0.49	202,368
Amana Cooperative Insurance	24.58	4.24	2,830,181
Alabdullatif Industrial Inv	11.04	0.18	29,615
Saudi Printing & Packaging C	16.32	0.37	76,562
Saudi Paper Manufacturing Co	13.50	-2.03	961,948
Alinma Bank	23.54	0.68	11,566,018
Almarai Co	50.90	4.95	812,090
Falcom Saudi Equity Etf	31.00	2.99	220,343
United International Transpo	27.90	2.95	583,781
Hsbc Amanah Saudi 20 Etf	30.60	0.00	-
Saudi International Petroche	19.20	0.00	343,046
Falcom Petrochemical Etf	30.40	0.00	-
Walaa Cooperative Insurance	21.92	1.20	64,801
Bank Al-Jazira	14.60	1.39	5,125,395
Al Rajhi Bank	92.00	5.14	6,885,753
Samba Financial Group	31.65	0.64	1,402,279
United Electronics Co	65.30	1.87	130,833
Allied Cooperative Insurance	18.50	0.33	31,219
Malath Insurance	12.28	-0.16	154,057
Alinma Tokio Marine	16.36	0.00	62,772
Arabian Shield Cooperative	18.54	0.22	199,990
Savola	27.20	1.30	324,959
Wafrah For Industry And Deve	16.70	0.60	491,264
Fitaihi Holding Group	10.78	0.75	28,726
Tourism Enterprise Co/ Shams	32.20	0.94	141,673
Sahara Petrochemical Co	15.18	0.80	1,656,585
Herfy Food Services Co	45.60	1.33	58,127
Saudi Ind Investment Group	21.74	0.93	1,952,655
Salama Cooperative Insurance	15.92	0.51	151,954
Emaar Economic City	7.94	0.51	772,131
Alahli Takaful Co	29.50	1.03	173,438
Anaam International Holding	13.94	-1.27	350,580
Saudi Telecom Co	95.00	0.00	258,607
Al Alamiya Cooperative Insur	33.00	0.30	102,255
Saudi Industrial Services Co	10.78	0.56	440,105
Al-Ahsa Development Co.	9.98	0.60	173,501
National Co For Glass In/The	17.96	-0.22	10,447
Dur Hospitality Co	18.36	-0.76	95,756
Tabuk Cement Co	11.26	-0.18	182,284
Sasco	16.86	2.68	124,368
Saudi Cement	47.95	0.95	25,819
Aseer Trading Tourism & Manu	9.20	-0.65	148,032
Nama Chemicals Co	27.05	-0.18	133,835
Saudi Arabian Mining Co	50.90	3.25	426,509
Yanbu Cement Co	24.80	1.22	125,953
Saudi Fisheries	72.70	-0.14	827,123
Ash-Sharqiyah Development Co	51.50	0.00	111,668
Makkah Construction & Devepl	78.50	-0.25	10,568
Saudi Co For Hardware	7.78	0.26	184,278
Abdullah A.M. Al-Khodari Son	6.66	0.15	471,891
Knowledge Economic City	9.24	0.87	302,737
Al-Ahlia Cooperative Insuran	12.38	0.00	1,524,153
Al Rajhi Co For Co-Operative	70.70	4.12	611,396
Advanced Petrochemicals Co	52.00	1.56	184,061
Al Babtain Power & Telecommu	19.54	0.31	99,165
Allianz Saudi Fransi Coopera	30.45	0.00	66,228
Najran Cement Co	8.29	-0.12	363,746
Al Tayyar Travel Group	19.92	-0.20	573,528
National Commercial Bank	47.60	-0.21	604,820

KUWAIT

Company Name	Lt Price	% Chg	Volume
Sultan Center Food Products	54.90	0.73	9,820
Kuwait Foundry Co Sak	200.00	-4.31	152,710
Kuwait Financial Centre Sak	100.00	0.00	16,200
Ajial Real Estate Entmt	146.00	1.39	35,000
Kuwait Finance & Investment	34.50	0.00	67,172
National Industries Co Ksc	200.00	0.00	10,000
Kuwait Real Estate Holding C	26.90	12.08	112,844
Securities House/The	56.00	1.82	5,469,918
Boubyan Petrochemicals Co	991.00	0.30	663,387
Al Ahli Bank Of Kuwait	300.00	1.01	265,000
Ahli United Bank (Almutahed)	301.00	1.35	366,446
National Bank Of Kuwait	846.00	0.59	2,494,308
Commercial Bank Of Kuwait	520.00	0.00	194
Kuwait International Bank	269.00	-0.37	2,223,626
Gulf Bank	255.00	0.39	24,783,640
Al-Massaleh Real Estate Co	38.50	0.00	10,040
Al Arabiya Real Estate Co	30.80	1.65	220,010
Kuwait Remal Real Estate Co	43.90	5.78	873,321
A'ayan Real Estate Co Sak	59.30	-1.17	728,000
Investors Holding Group Co.K	12.70	-1.55	5,111,860
Al-Mazaya Holding Co	72.90	-0.14	530,947
Al-Madar Finance & Invt Co	148.00	-2.63	1,813,400
Gulf Petroleum Investment	28.90	-6.17	21,234,269
Mabanee Co Sakc	620.00	0.49	263,936
Invest Co Bsc	85.30	0.35	2,015,010
Al-Deera Holding Co	20.00	-2.44	17,613
Mena Real Estate Co	39.50	-3.19	3,940,564
Amar Finance & Leasing Co	41.00	0.00	500
United Projects For Aviation	600.00	-5.51	500
National Consumer Holding Co	0.00	0.00	-
Amwal International Investme	62.00	0.00	2,000
Equipment Holding Co K.S.C.C	28.50	0.00	608,090
Arkan Al Kuwait Real Estate	83.00	-0.60	120,000
Gfh Financial Group Bsc	75.70	1.75	2,729,960
Energy House Holding Co Kscp	36.10	-0.28	1,500
Kuwait Co For Process Plant	239.00	0.00	6,771
Al Maidan Dental Clinic Co K	1,200.00	0.00	199,505
National Shooting Company	17.00	5.59	1,623,802
Al-Ahleia Insurance Co Sakp	427.00	0.47	50,000
Wethaq Takaful Insurance Co	30.00	0.33	100,000
Salbookh Trading Co Kscp	42.00	7.69	42,100
Aqar Real Estate Investments	61.20	0.00	176,000
Hayat Communications	69.00	0.00	14,750
Soor Fuel Marketing Co Ksc	116.00	0.87	317,360
Tamkeen Holding Co	9.10	-1.09	185,700
Burgan Co For Well Drilling	95.00	0.00	4,640
Kuwait Resorts Co Kscc	57.70	1.58	42,101
Oula Fuel Marketing Co	116.00	-1.69	136,995
Palms Agro Production Co	60.00	0.00	4,713
Mubarrad Holding Co Ksc	71.00	0.00	2,682,527
Shuaiba Industrial Co	188.00	0.00	50
Aan Digital Services Co	18.00	-3.23	5,399,566
First Takaful Insurance Co	48.50	0.21	14,150
Kuwaiti Syrian Holding Co	39.90	0.25	31,000
National Cleaning Company	57.90	0.70	126,029
United Real Estate Company	61.00	3.39	9,025
Agility	802.00	0.12	2,126,245
Kuwait & Middle East Fin Inv	33.00	1.54	144,645
Fujairah Cement Industries	61.70	0.00	10,095
Livestock Transport & Trading	170.00	-9.09	152
International Resorts Co	19.90	-12.72	30,000
National Industries Grp Hold	163.00	0.62	1,672,325
Warba Insurance Co	72.00	-0.83	12,752
First Dubai Real Estate Deve	39.90	-0.25	356,600
Al Arabi Group Holding Co	67.00	0.00	162,250
Mobile Telecommunications Co	469.00	1.08	4,416,051
Effect Real Estate Co	18.90	0.00	40
Tamdeen Real Estate Co Ksc	350.00	0.00	14,900
Al Mudon Intl Real Estate Co	30.20	5.96	10,010
Kuwait Cement Co Ksc	370.00	-1.07	8,740
Sharjah Cement & Indus Devel	86.90	0.00	921,000
Kuwait Portland Cement Co	1,130.00	0.89	30,604
Educational Holding Group	322.00	0.63	2,000
Asiya Capital Investments Co	32.60	0.31	1,699,846
Kuwait Investment Co	132.00	0.76	181,270
Burgan Bank	289.00	1.76	3,689,244
Kuwait Projects Co Holdings	210.00	0.00	403,754
Al Madina For Finance And In	22.20	0.00	683,130
Kuwait Insurance Co	360.00	2.86	562
Al Masaken Intl Real Estate	68.70	0.00	102,114
Intl Financial Advisors	28.00	-1.75	1,004,110
First Investment Co Kscc	40.00	0.76	1,803,941
Al Mal Investment Company	20.60	2.49	1,453,922
Bayan Investment Co Kscc	48.30	0.00	76,000
Egypt Kuwait Holding Co Sae	310.00	-4.62	1,000
Coast Investment Development	32.90	-0.30	121,201
Privatization Holding Compan	51.80	-0.38	101,700
Injazzat Real State Company	86.00	0.00	100
Kuwait Cable Vision Sak	20.00	0.00	6,750
Sanam Real Estate Co Kscc	38.00	0.00	2,000
Ithmaar Holding Bsc	26.30	-3.66	6,497,256
Aviation Lease And Finance C	350.00	0.00	26,061
Arzan Financial Group For Fi	28.50	0.00	110,040
Ajwan Gulf Real Estate Co	19.00	1.06	3,857,685
Kuwait Business Town Real Es	46.00	0.00	115,462
Future Kid Entertainment And	95.00	0.00	12,000

KUWAIT

Company Name	Lt Price	% Chg	Volume
Specialities Group Holding C	71.00	0.00	39,200
Abyaar Real Estate Developm	17.70	0.57	11,478,509
Kgl Logistics Company Kscc	42.60	4.16	11,550,761
Combined Group Contracting	305.00	-1.61	64,699
Jiyad Holding Co Ksc	71.00	0.57	1,001,573
Boubyan Intl Industries Hold	34.40	-3.64	1,099,361
Gulf Investment House Ksc	18.00	2.86	238,340
Boubyan Bank K.S.C	576.00	0.35	588,252
Ahli United Bank B.S.C	209.00	0.48	4,338,168
Osos Holding Group Co	102.00	0.00	63,660
Al-Eid Food Ksc	66.00	0.00	11
Qurain Petrochemical Industr	366.00	0.00	167,128
Ekttitab Holding Co Sak	21.30	1.91	192,128
Real Estate Trade Centers Co	21.70	2.36	627,600
Acico Industries Co Kscc	155.00	-1.90	28,222
Kipco Asset Management Co	75.00	8.70	3,400
National Petroleum Services	910.00	-1.09	1,000
Alimtiaz Investment Group	134.00	-0.74	661,000
Ras Al Khaimah White Cement	67.80	-5.31	86,950
Kuwait Reinsurance Co Ksc	0.00	0.00	-
Kuwait & Gulf Link Transport	93.00	-0.64	215,356
Humansoft Holding Co Ksc	3,284.00	0.00	51,106
Automated Systems Co Kscc	110.00	1.85	60
Metal & Recycling Co	62.00	0.00	25
Gulf Franchising Holding Co	70.00	0.00	2,845
Al-Enma'a Real Estate Co	33.70	1.51	354,223
National Mobile Telecommuni	718.00	0.14	1,562
Unicap Investment And Financ	80.20	-2.20	281,000
Al Salam Group Holding Co	33.30	1.22	1,467,300
Al Aman Investment Company	52.80	8.20	150
Mashaer Holding Co Ksc	78.40	-6.67	2,943,198
Manazel Holding	26.50	-1.85	299,100
Tijara And Real Estate Inves	51.00	0.00	200
Jazeera Airways Co Ksc	740.00	-0.94	600
Commercial Real Estate Co	92.30	0.33	4,691,135
National International Co	60.00	-3.23	560
Taameer Real Estate Invest C	28.40	-1.05	293,099
Gulf Cement Co	65.00	-4.27	85,022
Heavy Engineering And Ship B	437.00	1.16	766,946
National Real Estate Co	93.40	2.19	10,525
Al Safat Energy Holding Comp	31.00	0.00	21,994
Kuwait National Cinema Co	1,030.00	-0.96	1,000
Danah Alsafat Foodstuff Co	39.00	-1.76	2,658
Independent Petroleum Group	405.00	0.00	881
Kuwait Real Estate Co Ksc	55.30	0.55	1,550,100
Salhia Real Estate Co Ksc	330.00	0.00	144,200
Gulf Cable & Electrical Ind	365.00	3.69	132,742
Kuwait Finance House	0.00	0.00	-
Gulf North Africa Holding Co	50.80	0.59	434,722
Hilal Cement Co	0.00	0.00	-
Osoul Investment Kscc	59.00	0.00	19,753
Gulf Insurance Group Ksc	650.00	-1.52	1,400
Umm Al Qaiwain General Inves	66.50	0.00	34,114
Aayan Leasing & Investment	39.40	1.03	10,780,581
Alrai Media Group Co Ksc	58.40	0.69	154,538
National Investments Co	84.90	0.00	262,411
Commercial Facilities Co	175.00	0.00	2,108
Yiaco Medical Co. K.S.C.C	107.00	0.00	100
Munshaat Real Estate Project	102.00	2.10	520,208
Noor Financial Investment Co	71.60	-6.41	3,891,810
Al Tamdeen Investment Co	0.00	0.00	-
Credit Rating & Collection	22.40	0.00	5,200
Ifa Hotels & Resorts Co. K.S	58.00	-17.14	256,935
Sokouk Holding Co Sak	42.90	8.33	5,521,574
Warba Bank Kscp	216.00	1.89	3,559,940
Viva Kuwait Telecom Co	798.00	-0.50	68,843
Mezzan Holding Co Kscc	479.00	-4.20	867,115

OMAN

Company Name	Lt Price	% Chg	Volume
Voltamp Energy Saog	0.24	0.00	-
Vision Insurance Saoc	0.14	0.00	-
United Power/Energy Co- Pref	1.00	0.00	-
United Power Co Saog	3.44	0.00	-
United Finance Co	0.09	0.00	3,085
Ubar Hotels & Resorts	0.13	0.00	-
Takaful Oman	0.13	0.00	-
Taageer Finance	0.10	0.00	-
Sweets Of Oman	0.55	0.00	-
Sohar Power Co	0.12	0.00	-
Smn Power Holding Saog	0.37	0.00	-
Shell Oman Marketing - Pref	1.05	0.00	-
Shell Oman Marketing	1.49	0.00	-
Sharqiyah Desalination Co Sa	0.31	0.00	-
Sembcorp Salalah Power & Wat	0.17	-0.57	200,000
Salalah Port Services	0.60	0.00	70
Salalah Mills Co	0.75	0.00	-
Salalah Beach Resort Saog	1.38	0.00	-
Sahara Hospitality	3.09	0.00	-
Renaissance Services Saog	0.37	0.00	-
Raysut Cement Co	0.38	0.00	300
Phoenix Power Co Saoc	0.10	0.00	510,673
Packaging Co Ltd	2.21	0.00	-
Ooredoo	0.57	0.00	-
Ominvest	0.36	0.00	452,610
Oman United Insurance Co	0.30	0.00	-
Oman Telecommunications Co	0.78	0.00	201,884
Oman Refreshment Co	1.70	0.00	-
Oman Qatar Insurance Co	0.12	0.00	-
Oman Packaging	0.27	0.00	-
Oman Oil Marketing Company	1.13	0.00	-
Oman National Engineering An	0.16	0.00	-
Oman Investment & Finance	0.08	2.60	77,200
Oman Intl Marketing	0.52	0.00	-
Oman Flour Mills	0.67	0.00	-
Oman Fisheries Co	0.06	1.67	172,738
Oman Europe Foods Industries	1.00	0.00	-
Oman Education & Training In	0.24	0.00	-
Oman Chromite	3.64	0.00	-
Oman Chlorine	0.29	0.00	-
Oman Ceramic Company	0.42	0.00	-
Oman Cement Co	0.30	0.00	23,280
Oman Cables Industry	0.98	0.00	-
Oman & Emirates Inv(Om)50%	0.12	0.00	-
Natl Aluminium Products	0.35	0.00	-
National Real Estate Develop	5.00	0.00	-
National Pharmaceutical	0.19	0.00	-
National Mineral Water	0.10	0.00	-
National Life & General Insu	0.32	0.00	-
National Gas Co	0.26	0.00	-
National Finance Co	0.13	0.00	-
National Detergent Co Saog	0.70	0.00	-
National Biscuit Industries	3.92	0.00	-
National Bank Of Oman Saog	0.18	2.29	7,897
Muscat Thread Mills Co	0.08	0.00	-
Muscat Insurance Co Saog	0.80	0.00	-
Muscat Gases Company Saog	0.21	-0.95	11,653
Muscat Finance	0.08	3.70	69,000
Muscat City Desalination Co	0.13	0.00	-
Majan Glass Company	0.18	0.00	-
Majan College	0.20	0.00	-
Hsbc Bank Oman	0.12	0.85	415,000
Hotels Management Co Interna	1.25	0.00	-
Gulf Stone	0.12	0.00	-
Gulf Mushroom Company	0.31	0.00	-
Gulf Investments Services	0.07	-1.39	65,000
Gulf Invest. Serv. Pref-Shar	0.11	0.00	-
Gulf International Chemicals	0.18	0.00	5,000
Gulf Hotels (Oman) Co Ltd	9.50	0.00	-
Global Fin Investment	0.08	0.00	1,750,000
Galfar Engineering&Contract	0.08	2.53	466,289
Galfar Engineering -Prefer	0.39	0.00	-
Financial Services Co.	0.18	0.00	-
Financial Corp/The	0.10	0.00	-
Dhofar Tourism	0.49	0.00	-
Dhofar Poultry	0.18	0.00	-
Dhofar Intl Development	0.28	0.00	4,655
Dhofar Insurance	0.17	0.00	-
Dhofar Generating Co Saoc	0.22	0.00	800,000
Dhofar Fisheries & Food Indu	1.28	0.00	-
Dhofar Cattlefeed	0.17	0.00	-
Dhofar Beverages Co	0.26	0.00	-
Construction Materials Ind	0.03	0.00	-
Computer Stationery Inds	0.26	0.00	-
Bankmuscat Saog	0.41	2.50	858,221
Bank Sohar	0.11	1.82	141,607
Bank Nizwa	0.09	0.00	200,000
Bank Dhofar Saog-Rts	0.02	0.00	-
Bank Dhofar Saog	0.16	0.00	200,000

OMAN

Company Name	Lt Price	% Chg	Volume
Arabia Falcon Insurance Co	0.12	0.00	-
Aloula Co	0.53	0.00	-
Al-Omaniya Financial Service	0.20	0.00	-
Al-Hassan Engineering Co	0.03	12.50	91,887
Al-Fajar Al-Alamia Co	0.75	0.00	-
Al-Anwar Ceramic Tiles Co	0.07	1.41	27,820
Al Suwadi Power	0.10	0.00	503,393
Al Sharqiya Invest Holding	0.09	-1.11	54,000
Al Maha Petroleum Products M	0.93	0.00	-
Al Maha Ceramics Co Saoc	0.21	0.00	15,479
Al Madina Takaful Co Saoc	0.10	0.00	89,000
Al Madina Investment Co	0.04	0.00	-
Al Kamil Power Co	0.38	0.00	-
Al Jazerah Services -Pfd	0.55	0.00	-
Al Jazeera Steel Products Co	0.28	-0.72	900,000
Al Jazeera Services	0.11	0.00	-
Al Izz Islamic Bank	0.09	0.00	529,325
Al Buraimi Hotel	0.88	0.00	-
Al Batinah Power	0.10	0.00	652,800
Al Batinah Hotels	1.13	0.00	-
Al Batinah Dev & Inv	0.09	0.00	-
Al Anwar Holdings Saog	0.10	0.00	28,000
Al Ahlia Insurance Co Saoc	0.36	1.69	9,000,000
Ahli Bank	0.15	0.00	25,000
Acwa Power Barka Saog	0.72	0.00	-
Abrasives Manufacturing Co S	0.05	0.00	-
A'saffa Foods Saog	0.60	0.00	2,550,563
OMan Oil Marketing Co-Pref	0.25	0.00	-

UAE

Company Name	Lt Price	% Chg	Volume
Waha Capital Pjsc	1.76	-4.86	18,183
United Insurance Company	2.00	0.00	-
United Arab Bank Pjsc	1.20	0.00	-
Union National Bank/Abu Dhab	4.80	1.05	623,607
Union Insurance Co	0.90	0.00	-
Union Cement Co	0.00	0.00	-
Umm Al Qaiwain General Inves	0.97	0.00	-
Sudan Telecommunications Gro	0.40	0.00	-
Sharjah Islamic Bank	1.23	6.03	2,935,996
Sharjah Insurance Company	2.84	0.00	-
Sharjah Group	1.00	0.00	-
Sharjah Cement & Indus Devel	0.93	0.00	-
Ras Al-Khaimah National Insu	2.90	0.00	-
Ras Al Khaimah White Cement	1.08	0.00	-
Ras Al Khaimah Ceramics	1.83	0.55	395,026
Ras Al Khaimah Cement Co Psc	0.65	0.00	-
Ras Al Khaima Poultry	1.90	0.00	-
Rak Properties	0.49	-2.00	1,308,676
Ooredoo Qpsc	70.00	0.00	-
Oman & Emirates Inv(Emir)50%	0.50	0.00	-
National Takaful Company	0.62	0.00	-
National Marine Dredging Co	3.45	0.00	-
National Investor Co/The	0.58	0.00	-
National Corp Tourism & Hote	1.68	0.00	-
National Bank Of Umm Al Qaiw	2.96	0.00	-
National Bank Of Ras Al-Khai	4.20	0.00	-
National Bank Of Fujairah	4.80	0.00	-
Methaq Takaful Insurance	0.72	-5.00	52,000
Manazel Real Estate Pjsc	0.39	2.63	849,374
Invest Bank	2.49	0.00	-
Intl Holdings Co Pjsc	0.96	0.00	-
Insurance House	0.85	0.00	-
Gulf Pharmaceutical Ind Psc	2.08	0.00	-
Gulf Medical Projects	1.75	0.00	-
Gulf Cement Co	0.78	0.00	-
Fujairah Cement Industries	1.25	0.00	-
Fujairah Building Industries	1.15	0.00	-
Foodco Holding Pjsc	3.71	0.00	-
First Abu Dhabi Bank Pjsc	14.08	0.57	894,669
Finance House	1.64	0.00	-
Eshraq Properties Co Pjsc	0.49	3.62	8,592,160
Emirates Telecom Group Co	16.90	-0.59	907,653
Emirates Insurance Co. (Psc)	6.75	0.00	-
Emirates Driving Company	6.90	0.00	-
Dana Gas	0.97	1.68	14,025,679
Commercial Bank Internationa	0.87	0.00	-
Bank Of Sharjah	1.00	0.00	150,000
Axa Green Crescent Insurance	0.50	0.00	-
Arkan Building Materials Co	0.49	0.00	-
Alkhaleej Investment	1.65	0.00	-
Aldar Properties Pjsc	1.61	0.00	2,793,070
Al Wathba National Insurance	12.76	0.00	-
Al Qudra Holding Pjsc	0.80	0.00	-
Al Khazna Insurance Co	0.25	0.00	-
Al Fujairah National Insuran	300.00	0.00	-
Al Dhafra Insurance Co. P.S.	3.60	0.00	-
Al Buhaira National Insuranc	1.99	0.00	-
Al Ain Ahlia Ins. Co.	37.00	0.00	-
Agthia Group Pjsc	4.20	-1.87	459,914
Abu Dhabi Ship Building Co	1.10	0.00	-
Abu Dhabi Natl Co For Buildi	0.44	0.00	-
Abu Dhabi National Takaful C	4.40	0.00	-
Abu Dhabi National Oil Co Fo	2.31	-0.43	129,000
Abu Dhabi National Insurance	3.90	0.00	-
Abu Dhabi National Hotels	3.00	-4.76	250,557
Abu Dhabi National Energy Co	1.09	-0.91	151,000

BAHRAIN

Company Name	Lt Price	% Chg	Volume
Zain Bahrain Bscc	0.08	0.00	30,000
United Paper Industries Bsc	0.00	0.00	-
United Gulf Holding Bsc	1.24	0.00	32,860,631
Solidarity Bahrain Bsc	0.00	0.00	-
Seef Properties	0.22	-0.92	7,000
National Bank Of Bahrain Bsc	0.61	-0.82	544,300
Nass Corp Bsc	0.10	0.00	56,884
Khaleeji Commercial Bank	0.08	0.00	946,242
Ithmaar Holding Bsc	0.09	5.88	45,000
Investcorp Bank -$Us	9.60	0.00	35,000
Gulf Hotel Group B.S.C	0.00	0.00	-
Gfh Financial Group Bsc	0.26	6.25	1,040,000
Esterad Investment Co B.S.C.	0.11	0.00	43,457
Eskan Bank Realty Income Tr	0.09	0.00	20,000
Bmmi Bsc	0.77	0.00	45,000
Bbk Bsc	0.45	-0.44	6,704
Bahrain Telecom Co	0.28	0.00	15,000
Bahrain National Holding	0.36	0.00	119,428
Bahrain Kuwait Insurance	0.00	0.00	-
Bahrain Islamic Bank	0.13	0.00	42,726
Bahrain Duty Free Complex	0.73	-1.35	10,000
Bahrain Commercial Facilitie	0.77	0.00	15,000
Arab Banking Corp Bsc-$Us	0.42	0.00	705,000
Aluminium Bahrain Bsc	0.60	0.84	5,000
Albaraka Banking Group	0.30	0.00	355,690
Al-Salam Bank	0.09	4.44	87,366
Ahli United Bank B.S.C	0.68	0.00	239,740

LATEST MARKET CLOSING FIGURES

Apple's woes, not its gadgets, overshadow tech's trade show

Bloomberg
San Francisco

Apple Inc is not placing a giant booth at the big CES tech trade show starting today in Las Vegas, but its recent sales warning — and the country it blamed for the shortfall — will undoubtedly be the talk of the show.
Typically, Apple casts a shadow over CES due to anticipation for the iPhone maker's next product, competitors racing to beat them to the market and hundreds of accessory makers looking to make a buck on the iPhone maker's platform. This year, Apple's reduced revenue forecast and whether the flagging Chinese economy will hamper other big electronics companies will vie for attendees' attention.
The consumer electronics trade show is partly known for being divorced from the real world. It's a place where companies show off early prototypes that may never turn into commercial products. While some attend CES to see game-changing advances like the original Xbox in 2001, the Palm Pre phone in 2009, and 3-D and 4K TVs in more recent years, the real noise is made in backroom meetings among major companies and suppliers of the potentially next big thing.
Many key suppliers are based in China and may have a harder time securing deals this year, as trade tensions flare and companies in the US seek to avoid tariffs imposed by President Donald Trump's administration or do business with partners viewed as a national security threat.
"The health of the Chinese economy and the US economy is an overhang for the show," said Gary Shapiro, the president and chief executive officer of the Consumer Technology Association, which produces the annual trade show. Still, he said, "there will be discussions with Chinese companies on the buyer-and-seller relationship behind closed doors." Some of the CTA's members with business in China have already adjusted and moved manufacturing and sourcing out of the country, Shapiro added. The CTA has organized a panel dedicated to tariffs and the show floor will have a booth for US attendees to contact the US Trade Representative and the White House and explain how tariffs have affected their businesses.
Apple on Wednesday cut its revenue outlook for the first time in almost two decades, citing weaker demand in China because of the country's slowing economy and rising trade tensions with the US A big question is how much of Apple's problems can be blamed on China's economy versus Chinese consumers' preference for home-grown brands. The falloff in demand for iPhones is at least partly explained by its high price and the rise of cheaper, more comparable rival devices in the world's largest market. The iPhone XS Max, the current top of the iPhone range, starts at 9,599 yuan ($1,400) in China. Flagship phones from Huawei Technologies Co and Oppo cost from 4,000 to 5,000 yuan, around half that of an iPhone. "It's going to be the elephant in the room at CES," said Daniel Ives, an analyst at Wedbush Securities.
"This has been dark days for Apple and for the tech industry. I think there's a lot of questions in regards to the smartphone industry going forward, especially with what Apple said about with demand in China."
Huawei supplanted Apple as the world's No 2 smartphone brand in 2018 and remains the market leader in China, comprising 25% of smartphone shipments in the third quarter of 2018, according to data from research firm Canalys. Chinese smartphone makers Vivo, Oppo, and Xiaomi Corp were right behind Huawei, with Apple in fifth place for share of shipments.
Huawei in particular has become flashpoint in the US trade dispute. The US has said the company poses a national security threat due to its close ties to the Chinese government and that Huawei violated a trade embargo against Iran. Canadian officials, acting at the behest of the US, arrested Huawei's CFO last month. The arrest contributed to Apple's brand damage in China, with some Chinese companies reportedly subsidising employees to buy Huawei devices. Huawei recently demoted and cut the pay of two employees for tweeting from the company's official account with an iPhone.
"As Trump has locked horns with China, there are social media campaigns on WeChat and Weibo asking people to boycott Apple's products," said Loup Ventures Managing Director Gene Munster.
"They can be powerful."
At last year's show, Huawei was set to reveal that it would bring a flagship smartphone to US carriers including AT&T Inc. But the deal never happened. At the urging of the US government, the carriers cut ties with Huawei due to national security concerns, hurting the phone maker's ability to grow its business in the US.
Richard Yu, chief executive officer of Huawei's consumer products division, gave a keynote address at last year's CES. He used some of his speech to lambaste US carriers for deciding not to sell Huawei's latest phones. This year, Huawei is an exhibitor at the conference and will be showcasing its new tablet and laptop for the US market.
Apple will just send employees to monitor upstarts and potential future suppliers. Its main domestic rivals, Alphabet Inc's Google and Amazon.com Inc will be present at CES, however, with plenty of accessory makers integrating their respective voice assistants. Microsoft Corp will also be on hand to discuss how hardware makers can implement their latest software.
Chinese companies will attend the gathering in force. The CTA said it has seen growth in the presence of large Chinese companies and the exhibit area for Chinese companies represents a similar amount of square footage space as last year, around 13 to 14%. There are more than 1,200 Chinese companies exhibiting at the show, and companies in attendance include Alibaba Group Holding Ltd, Tencent Holdings Ltd, JD.com Inc, car manufacturer BYTON Ltd, TCL Corp, and Hisense Co, according to the CES website.

Daimler, Bosch cruise into robotaxi era with slow-moving shuttle

Bloomberg
Frankfurt

A Mercedes-Benz Urbanetic Vision autonomous electric concept van, manufactured by Daimler, stands on stage at the IAA Commercial Vehicles Show in Hanover, Germany, on September 19, 2018. While driverless cars might not populate public roads for some time, shuttle services in confined areas have started to look more feasible, at least over the next few years.

Four years ago, Daimler AG dazzled with a self-driving luxury lounge in Las Vegas with a concept vehicle boasting a sleek interior that promised to pamper its well-heeled passengers into the automotive future.
This year the Mercedes-Benz maker is back at the annual Consumer Electronics Show, though with a more utilitarian slant: a bubble-like autonomous shuttle designed to reliably ferry people and goods around town at limited speeds.
The move from glittery luxury concepts to box-shaped people movers underscores a shift in the race toward autonomous vehicles. While driverless cars might not populate public roads for some time, shuttle services in confined areas have started to look more feasible, at least over the next few years.
"These vehicles have moderate technical complexity and drive at low speeds, which makes them easier to produce than conventional cars," Wolfgang Bernhart, partner at consultancy Roland Berger GmbH, said in a phone interview.
"The potential for special-purpose vehicles and autonomous driving as a whole is significant."
Sales of autonomous shuttles will reach about 1mn vehicles in 2020 and could more than double to 2.5mn by 2025, the consultancy estimates. While only a fraction of global car deliveries, it beats last year's sales at Mercedes, the world's bestselling luxury-car maker. Here's a rundown of some of the main concepts being shown at CES this year and elsewhere:
Daimler's Vision Urbanetic: On-demand mobility for as many as 12 people; electrically-powered chassis has switchable bodies to transform into a cargo-version sibling.
Bosch's driverless shuttle: Concept designed for four people; concierge service provides reservations, recommendations, travel tips; users able to pay via Bosch's e-payment service.
Volkswagen's Sedric: Latest concepts are a mini school bus, or autonomous taxi for four; suitable for car sharing or personal use; likely to hit roads around 2025.
May Mobility: BMW AG-backed startup ferrying Detroit workers from a parking garage to offices; six-seater electric vehicles still have attendant on board; shuttles operate on loop on downtown Detroit public roads.
Other contenders include Continental AG's Cube autonomous shuttle, while ZF Friedrichshafen, another large German auto parts supplier, has teamed up with startup e.Go Mobile AG to start making driverless vehicles from late 2019.
Technical hurdles remain substantial for self-drives facing situations on public roads that are often difficult to predict. Bosch and Daimler have started a joint test using an automated ride-sharing service using Mercedes S-Class sedans in San Jose, California.
"We remain realistic that robo business models will still take a material amount of time and significant tech improvements in order to be deployed at scale and with a profit," Arndt Ellinghorst, a London-based analyst at Evercore ISI, said in a note to clients. But "it is now well understood that the risk of sitting on the fence is too large," he said.

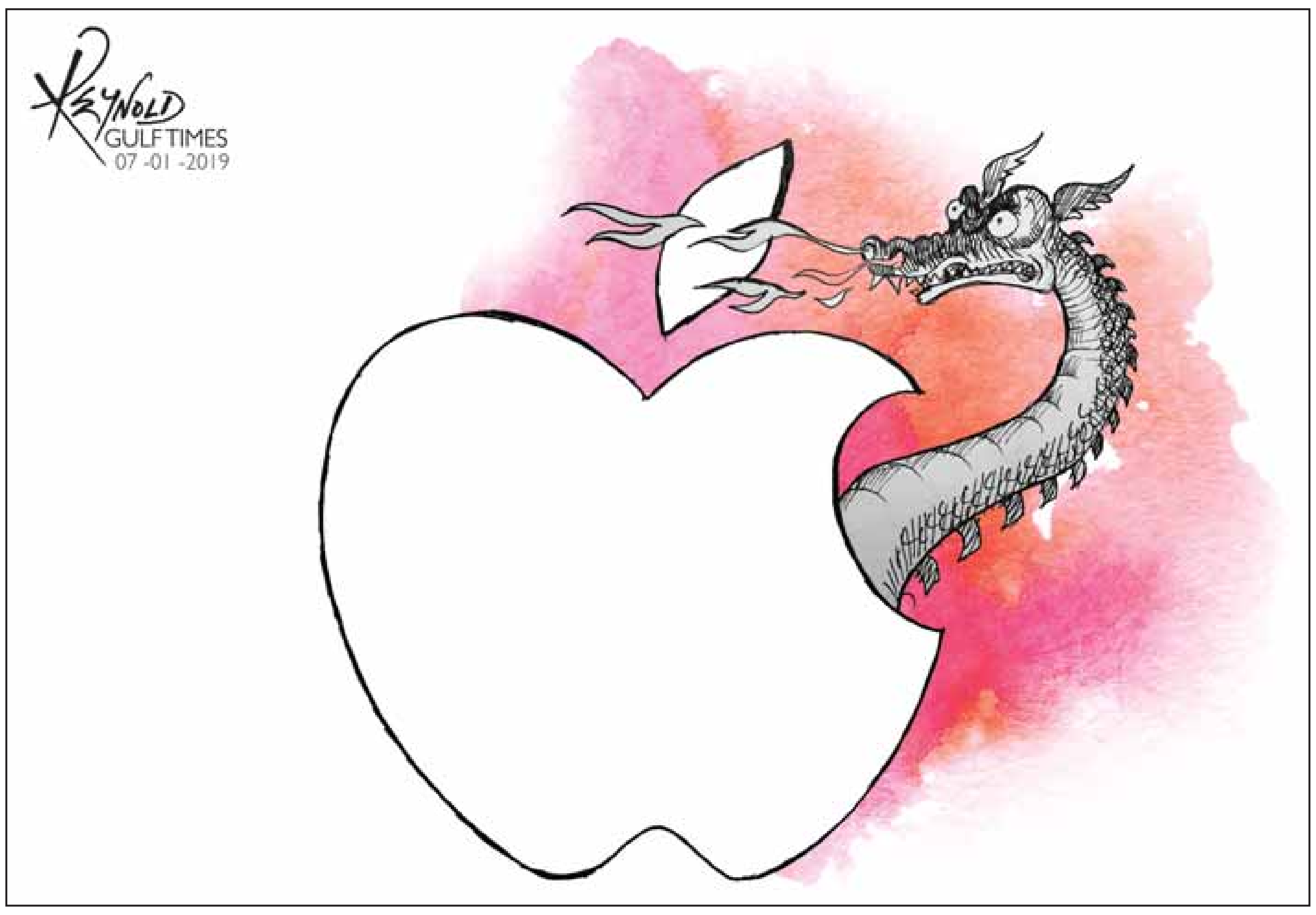
Ghosn to mount vigorous defence at hearing, son tells *JDD*

Bloomberg
Paris

Nissan Motor Co's former chairman Carlos Ghosn, indicted on suspicion of violating Japan's financial reporting laws, will mount a "vigorous defence" at his first hearing this week, his son, Anthony, told France's *Journal Du Dimanche* in an interview.
Carlos Ghosn will attend a hearing of the Tokyo district court tomorrow after his legal team requested an explanation of why his detention has been repeatedly extended since he was taken into custody on November 19.
"Everyone will be pretty surprised to hear his version of the story," Anthony Ghosn told the newspaper.
"Until now, we have only heard the accusation."
But Anthony Ghosn says his father faces a paradox: confess to crimes of which he is innocent or remain in detention. It is quite common for prosecutors to keep people in detention for months or even years, he said.
"When the only condition for his release is a confession, you want to find a solution to end this nightmare," Anthony Ghosn told the newspaper.
Separately, French Finance Minister Bruno Le Maire said his government isn't demanding Ghosn's departure as chairman of Renault SA, which has an alliance with Nissan, as it still has no evidence of his alleged wrongdoing.
"There is a presumption of innocence. I have nothing in hand that lets me demand Ghosn's departure," Le Maire said on French radio Europe1.
While Carlos Ghosn was indicted on allegations of under-reporting his compensation, the length of detention and lack of clarity on the case has drawn criticism. Ghosn was initially held without charge for longer than would be permitted in the UK for a suspected terrorist.

Carlos Ghosn will attend a hearing of the Tokyo district court tomorrow after his legal team requested an explanation of why his detention has been repeatedly extended since he was taken into custody on November 19.

The executive was re-arrested on fresh, potentially more serious charges December 21 just when it looked like he may be able to apply for bail. Prosecutors have accused him of transferring personal trading losses to Nissan, but are yet to indict him on this allegation. In Japan, indictment paves the way for prosecutors to lay formal charges.
His detention was last extended December 31, putting him behind bars until at least January 11.



Sears said to prepare for possible liquidation as ESL bid fails

Bloomberg
New York

Sears Holdings Corp is preparing to potentially wind down the iconic retailer after chairman Eddie Lampert's bid to buy several hundred stores out of bankruptcy fell short of bankers' qualifications, according to people with knowledge of the matter.
The retailer started laying the groundwork for a liquidation after a series of meetings on Friday in which its advisers weighed the merits of a $4.4bn bid by Lampert's hedge fund to buy Sears as a going concern, said the people, who asked not to be identified because the discussions are private.
While Lampert's ESL Investments has failed to convince the bankers of the viability of its bid, it could still make last-minute improvements before a status hearing tomorrow. Lampert also has outlined a backup plan in which ESL would pursue the purchase of some of Sears's parts, including real estate and intellectual property, such as its brand.
Spokesmen for Sears and ESL declined to comment, as did a representative for Lazard, which is advising Sears.
The retailer, which includes its namesake department-stores and the Kmart chain, entered Chapter 11 protection in October with the hope that it could emerge from bankruptcy with less debt and a smaller group of more profitable stores. The bid Lampert submitted in late December intended to keep 425 stores open, while preserving up to 50,000 jobs.
But as representatives for the company — along with creditors and other parties — met in New York on Friday to assess the merits of the bid, they found a number of shortcomings, people with knowledge of the discussions said.
Gaps remained in some of the financing for the proposal, and the plan wouldn't have provided enough cash to cover costs incurred in the bankruptcy, the people said; it also undervalued inventory and other assets relative to what liquidators were promising to pay.
Another key sticking point: much of Lampert's bid rested on him getting ownership of the reorganised business in exchange for the forgiveness of $1.3bn of debt he holds. But the validity of those very claims — racked up in a series of spinoffs, refinancings and other transactions — has already been challenged by a group of creditors. The ESL plan didn't include a cash backstop for that part of the bid.
ESL has said its liens are valid and came after the firm extended more than $2.4bn of secured financing to keep Sears afloat.
Lampert's bid included a secondary proposal were the going-concern offer to fall through. It included buying selected real estate for $1.8bn and Sears intellectual property, such as the brand name. Much of that plan would also be funded by forgiving some of the debt he holds.

Retired US general warns against China dominating 5G networks

Bloomberg
Washington

China's desire to dominate new wireless technology poses a global threat that should be thwarted by a new, secure network, according to a former Trump administration official whose call for an enlarged US government role caused an uproar last year.

China will gain a capability for mayhem and mass surveillance if it dominates advanced 5G networks that link billions of devices, retired Air Force brigadier-general Robert Spalding said in a memo that was obtained by Bloomberg News.

"The more connected we are, and 5G will make us the most connected by far, the more vulnerable we become," Spalding, who left the National Security Council last year, said in the memo.

Spalding, who is now retired, confirmed in an interview on Friday his authorship of the memo. He said he wrote it in recent days, and had circulated it to national security professionals whom he declined to identify. A plan he backed last year aroused protests from Republican regulators and lawmakers and wireless companies who said it diminished the role of private companies.

The Trump administration is in tense trade talks with China and has taken steps to restrict its top telecommunications equipment maker, Huawei Technologies Co. The company's chief financial officer was arrested in December on charges of violating sanctions against Iran.

US government officials and industry executives have long harboured suspicions that Huawei works for Chinese government interests. Huawei has pushed back against the accusations, with a top executive citing "groundless speculation."

The administration of President Donald Trump and the US wireless industry have embraced the notion of a "race to 5G," with the main rival being China. Trump in October ordered a national spectrum policy to ensure the US maintains leadership in advanced wireless communications.

Commercial providers are working to develop 5G networks that provide faster links than the current fourth-generation wireless service. The idea is that dramatically higher speeds — 10 or even 100 times faster than current service — will eventually help support self-driving cars, smart appliances and even surgical robots.

Spalding in his memo paints a future headed toward domination by China. Eventually, alternatives to its network technology won't exist, because other suppliers won't be able to compete with government-subsidised offerings from Huawei and fellow Chinese gear maker ZTE Corp, Spalding said.

Once China controls the market for internet-connected devices, it will be able "to weaponise cities," Spalding said in the memo: "Think of self-driving cars that suddenly mow down unsuspecting pedestrians. Think of drones that fly into the intakes of airliners."

Spalding proposed a network to be built in three years using technology to monitor network devices and "isolate them from the adversary if they become infected." The network would rely on encryption and a secure supply chain, according to Spalding. His recommendations include "push Huawei and ZTE out of other democracies."

Spalding didn't lay out a government role in the new network, which he said could be built by a company with access to enough airwaves. In the interview he said the new proposal was little changed from last year's, which he said likewise didn't call for the government to build the network.

A year ago, US regulators and the wireless industry pushed back against Spalding's plan after it was leaked to the press, with critics saying network construction should come through private efforts. At the time a US official told Bloomberg News unresolved questions included what portion of the project would be taxpayer funded, and whether it would be owned by the government, a private consortium or some combination of public and private entities.

Direct participation by the federal government in building a wireless network intended for commercial use would be a departure from the decades-long tradition of auctioning licenses to telecommunications companies to build their own networks.

Attendees view the Huawei Technologies Mate 10 Pro smartphone during the 2018 Consumer Electronics Show (CES) in Las Vegas on January 10, 2018. US government officials and industry executives have long harboured suspicions that Huawei works for Chinese government interests. Huawei has pushed back against the accusations, with a top executive citing "groundless speculation."

Japan mulls action to avoid seizure of steel assets in S Korea

Bloomberg
Tokyo

Japan will consider countermeasures to protect Nippon Steel & Sumitomo Metal Corp assets from seizure in South Korea sought in response to a wartime forced-labour complaint, Prime Minister Shinzo Abe said. It's "very regrettable that former workers from the Korean Peninsula are taking action for seizing the assets," Abe told national broadcaster NHK's "Sunday Debate" programme, adding that he has "requested relevant departments to study specific measures based on international law."

A 1965 treaty between the countries resolved all matters regarding compensation claims, Abe said yesterday. Still, South Korea has argued that Japan hasn't atoned enough for its 1910-45 colonisation of the Korean Peninsula.

Lawyers representing South Koreans who were forced into labour applied to seize Nippon Steel's local assets, the Associated Press reported on Thursday. A court in the city of Pohang may decide in two or three weeks whether to accept the request to seize the 2.34mn shares Nippon Steel & Sumitomo Metal Corp holds in its joint venture with South Korean steelmaker Posco that are worth about $9.7mn, AP said.

The country's supreme court in separate rulings in October and November deemed that Nippon Steel and Mitsubishi Heavy Industries Ltd were liable to pay compensation in court cases dating back to World War II. South Korean President Moon Jae-in has also backed the ruling.