

BUSINESS

Dutch retailers paying 'starvation wages'

Dutch fashion retailers are paying "starvation wages" at factories in a major hub for the global garment industry in southern India, forcing many workers into crippling debt, a report on Tuesday showed.

Workers surveyed at 10 garment factories in and around Bengaluru in the southern Indian state of Karnataka took home on average 90 euros (\$100) a month, and 70 percent were in

debt, the report by four non-profit organisations said.

The factories were supplying Dutch brands that have "acknowledged the importance of living wages".

They included Coolcat, G-Star, The Sting, MEXX Europe, McGregor Fashions, Scotch & Soda, Suitsupply, WE Fashion and C&A. The C&A Foundation partners with the Thomson Reuters Foundation on trafficking

and slavery coverage.

"Workers cannot properly support their families with this wage," said the report, "Doing Dutch", co-authored by Clean Clothes Campaign, the India Committee of the Netherlands, Asia Floor Wage Alliance and Cividip India.

"Food and housing, usually a one-room apartment without a water tap and with a shared toilet outdoors, are the biggest expenses. (RTRS)

Standard Chartered probed for Indonesia 'bribes'

Standard Chartered acknowledged Tuesday it was being investigated by the US Department of Justice over claims that an Indonesian subsidiary had paid bribes to secure contracts.

The London-based, Asia-focused bank said in a statement that it had referred the matter to the "appropriate authorities" and launched its own review.

The Wall Street Journal newspaper said that an internal au-

dit at Indonesian energy company Maxpower Group found evidence of possible bribery and US prosecutors were examining whether Standard Chartered was culpable for not stopping it.

"Standard Chartered takes very seriously allegations of impropriety in any of our private equity investments," the bank told AFP in a statement when asked about the report.

"We proactively referred this

matter to the appropriate authorities and have conducted our own review.

"When we receive allegations of improper behaviour in an investee company, we pursue those allegations vigorously and act appropriately, including sharing information and cooperating fully with government authorities and addressing any issues of internal conduct and accountability." (AFP)

the bottom line

DUBAI: Ride-hailing service Careem is targeting profitability next year or in 2018 and is in talks with potential investors about its latest fundraising plans, co-founder Mudassar Sheikh told Reuters on Tuesday.

The company, which has a larger market share than rival Uber in most of the 32 cities in the Middle East, North Africa and Pakistan region in which it operates, aims to expand in new markets including Oman and a number of North African countries, managing director Mudassar Sheikh said.

Launched in Dubai in 2012 by Sheikh and fellow McKinsey & Co alumni Magnus Olsson, Careem has a fleet of 90,000-plus drivers and more than four million users registered through its mobile app but has yet to make a profit. (RTRS)

LOS ANGELES: Disney is evaluating a possible bid for Twitter, according to a Bloomberg report. The mouse is working with a financial adviser to work the numbers, according to that report.

Twitter's stock rose after Bloomberg published the news, with shares closing in on \$23, a nine-month high. Disney's shares on the other hand didn't fare so well, and are down 1.73 percent, to trade at \$91.66.

This comes as chatter is heating up that multiple companies are getting ready to bid on the company. Other potential bidders reportedly include Google and Salesforce. (RTRS)

DETROIT: The fastest-growing part of the US auto market is getting another new vehicle.

Fiat Chrysler's Jeep brand unveiled a redesigned Jeep Compass compact SUV at a factory in Brazil Monday night.

The new Compass replaces a model that was introduced about a decade ago and had fallen far behind rivals in what is now the largest segment of the US auto market. It also will replace the Jeep Patriot, a similar-sized SUV. (AP)

DETROIT: DTE Energy Co. plans to spend \$1.3 billion for natural gas assets in Pennsylvania and West Virginia.

The Detroit-based company announced Monday that an agreement calls for DTE to purchase all of Appalachia Gathering System in Pennsylvania and West Virginia and 40 percent of Stonewall Gas Gathering in West Virginia from energy company M3 Midstream.

In addition, DTE plans to purchase 15 percent of Stonewall Gas Gathering from Vega Energy Partners.

The assets will become part of DTE's non-utility Gas Storage and Pipeline business, which owns and manages a network of natural gas gathering, transmission and storage facilities serving the Midwest, Northeast and Ontario markets. The deals are expected to be completed this year. (AP)

TOPEKA: Stockholders have overwhelmingly approved the \$12.2 billion sale of Topeka-based electric company Westar Energy to Misouri-based Great Plains Energy, the two firms announced Monday.

Westar is Kansas' largest electric company, and after the acquisition, Great Plains would serve more than 1.5 million customers in the two states. The two companies say combining

operations would result in \$200 million in annual savings after three years, keeping rates in check. (AP)

LONDON: Time Out, best known for its listings magazines, said on Tuesday it was close to setting up its own food and drink markets in London and Porto, after the British firm's first such venture attracted more than a million visitors in Lisbon.

Chief Executive Julio Bruno said revenue at Time Out Market Lisbon had more than doubled in the six months to the end of June, as 1.3 million visitors ate and drank at the collection of 24 hand-picked restaurants and eight bars at the site it runs.

Time Out takes a percentage of the revenue generated by each of the bars and restaurants in its hall, he said. The restaurants also contributed to fitting out the first site in Lisbon, but would not do so at the new sites. (RTRS)

LONDON: Stockbroker Panmure Gordon & Co Plc said business activity in the two months after Britain's vote to leave the European Union had been "encouraging", including an initial public offering (IPO) by a technology company on London's junior market.

The broker said it had completed 29 transactions including nine M&A deals and five IPOs in the first half ended June 30.

Clients raised more than 600 million pounds (\$779 million) from the deals, Panmure said. (RTRS)

LONDON: AG Barr, the maker of popular Scottish soft drink Irn-Bru, said it would lay off about 10 percent of its workforce as part of a restructuring.

The company said it was planning to implement most of the restructuring before the end of the financial year, and about 90 jobs were likely to be cut in commercial and supply chain functions.

The job cuts come at a time when the company and its rivals including Britvic Plc face a slowdown in demand from increasingly calorie-conscious consumers and an impending British government tax on sugar-sweetened fizzy drinks. (RTRS)

LONDON: British lender Close Brothers Group reported a 4 percent rise in full-year adjusted profit due to a strong banking division and said retail trading had improved in its market-making business, driven in part by Britain's vote to leave the European Union.

The Brexit vote had little direct impact on demand at the company's retail, commercial, and property lending operations, Chief Executive Preben Prebensen told Reuters. (RTRS)

BERLIN: Germany's second-largest lender Commerzbank could slash around a fifth of its staff in the coming years as part of a billion-euro restructuring programme, a German newspaper said on Tuesday.

Chief executive Martin Zielke is to present his vision for the bank's future up to 2020 — including some 9,000 job cuts — to fellow board members on Friday, according to business daily Handelsblatt.

Zielke has yet to decide whether to achieve the cuts through redundancies or other means, the newspaper reported. (AFP)

Wall St gains after debate but oil market losses a drag

Dollar climbs, Mexican peso rebounds

dollar, together with the Mexican peso and other higher-yielding currencies, enjoyed a bump.

The dollar index was up 0.4 percent at 95.649, while the Mexican peso gained 1.6 percent against the greenback.

Mexico's currency hovered near all-time low at 19.735 peso per US dollar since last week on fears that a Trump presidency would threaten Mexico's exports to the United States, its single biggest market.

Spot gold prices fell \$10.7501 or 0.80 percent, to \$1,326.81 an ounce.

US

Wall Street rose for the first time in three days on Tuesday, helped by technology and discretionary stocks.

The S&P 500 technology sector rose 0.8 percent and gave the biggest boost to the benchmark index, powered by Microsoft and Google parent Alphabet.

The consumer discretionary index rose 0.88 percent after a report showed that the consumer confidence index for September rose to its highest level in nine years.

"The number came in much better than expected, so consumer stocks seem to be catching a bit after having a hard time for probably a month or two," said Mark Spellman, portfolio manager at Alpine Funds in New York.

The discretionary index had lost 2.5 percent in the past two months.

At 12:31 pm ET (16:31 GMT), the Dow Jones Industrial Average was up 134.26 points, or 0.74 percent, at 18,229.09.

The S&P 500 was up 13.16 points, or 0.61 percent, at 2,159.26.

The Nasdaq Composite was up 39.57 points, or 0.75 percent, at 5,297.06.

Gilead Sciences was the top drag on the S&P and the Nasdaq, falling 2 percent after Leerink downgraded the drugmaker's stock to "market perform".

Amazon.com, Netflix, Priceline, TripAdvisor and Twitter were trading higher after JPMorgan raised price targets on their stocks.

Advancing issues outnumbered decliners on the NYSE by 1,748 to 1,186. On the Nasdaq, 1,641 issues rose and 1,058 fell.

The MSCI world equity index, which tracks shares in 45 nations, rose 0.74 points or 0.18 percent, to 416.94.

Oil markets were also in flux as the world's largest producers gathered in Algeria to discuss ways to tackle a crude glut that has battered prices for two years now.

Brent crude was last down \$1.26, or 2.66 percent, at \$46.09 a barrel. US crude was last down \$1.25, or 2.72 percent, at \$44.68 per barrel.

It was too early to determine whether Monday's presidential debate will result in sizeable changes among American voters for either Clinton or Trump in the Nov. 8th election, but the

weighed on oil & gas stocks, making them the top sectoral faller.

Deutsche Bank ended little changed after falling as much as 3.4 percent earlier in the session on concerns it may need to tap investors to raise funds to pay for the mortgage case and other litigations.

Traders said the stock recovered thanks to remarks by a US Justice Department official on the possibility of lowering mortgage-related penalties for banks if they cooperated with authorities.

"No one wants to be long this name but it is also a matter of fact that the more it goes down the more the bear case for DOJ settlement starts being in the price," Mediobanca said in a note to clients.

Food giant Nestle rose 1.1 percent following management changes announced late on Monday and a Redburn upgrade to 'buy', while other consumer stocks such as Unilever and AB Inbev were also in demand.

Asia

Financial markets Tuesday cheered Hillary Clinton's performance in the first US presidential debate, with stocks and high-risk currencies staging a "relief rally" as investors saw her as victor over Republican rival Donald Trump.

Key Asian bourses got a bounce as a confident Clinton bested her rival in the 90-minute showdown, some reversing earlier declines.

Tokyo ended 0.8 percent up, a dramatic volte-face from its 0.9 percent drop at the open, while Sydney also trimmed early losses.

Hong Kong opened 0.5 percent higher but jumped in the afternoon to close more than one percent higher. Shanghai was up 0.6 percent by the close after being flat most of the day.

Seoul, Bangkok and Singapore also gained.

Tokyo — Nikkei 225: UP 0.8 percent at 16,683.93 (close)

Hong Kong — Hang Seng: UP 1.06 percent at 23,564.59 (close)

Shanghai — Composite: UP 0.6 percent to 2,998.17 (close)

Oil

Crude oil futures fell on Tuesday as optimism faded for an output-limiting deal from an oil producer meeting in Algeria to curb one of the worst supply gluts in history.

Saudi Arabia dashed hopes on Tuesday that producers could clinch a deal at the Sept 26-28 informal meeting of OPEC and other producers including Russia after sources within the exporter group said differences between the kingdom and rival Iran remained too wide.

The Saudi and Russian energy ministers will give a joint briefing in Algiers later on Tuesday but there was no sign of a deal.

Brent crude futures fell \$1.30 to

\$46.05 a barrel by 1331 GMT, having closed up \$1.46, or 3.2 percent, in the previous session.

US West Texas Intermediate (WTI) crude dropped \$1.31 cents to \$44.62 a barrel, after rising \$1.45, or 3.3 percent, in the previous session.

Sources told Reuters last week that Saudi Arabia had offered to reduce its output if Iran agreed to freeze production. But Iran played down the chances of a deal, saying the meetings in Algiers were only advisory.

Russia's oil minister on Tuesday also said that the country would want to freeze oil output at current levels; Russia's oil output recently touched an all-time high of 11.75 million barrels per day (bpd).

Analysts said that current high production in Russia and Saudi Arabia, combined with potential increases from Libya and Nigeria, made discussions in Algiers somewhat hollow.

US investment bank Goldman Sachs cut its price forecast for WTI crude in the fourth quarter to \$43 a barrel, from a \$45-\$50 range, saying that it expects global supply to exceed demand by 400,000 barrels per day (bpd) in the quarter.

Aside from OPEC, a strong US dollar, which makes commodities like crude oil more expensive for holders of other currencies also pressured oil prices.

Traders were also watching for US oil stock data due later on Tuesday from the American Petroleum Institute (API).

US commercial crude oil stocks likely rose by an average of 2.8 million barrels to 507.4 million barrels in the week to Sept 23, reversing three weeks of unexpected drawdowns, a Reuters survey of seven analysts forecast.

Gold

Gold fell on Tuesday as the dollar and stocks gained ground on the view that US presidential candidate Hillary Clinton got the better of Donald Trump in their first debate, denting the safe-haven appeal of bullion and bonds.

Markets have tended to see Clinton as the candidate of the statusquo, while few are sure what a Trump presidency might mean for US foreign policy, trade or the domestic economy.

Gold, which is often seen as an alternative investment in times of geopolitical and financial uncertainty, suffered after the debate as a higher appetite for risk favoured shares, the dollar and the Mexican peso over the precious metal.

Spot gold was down 0.88 percent at \$1,327 an ounce at 1436 GMT, snapping a six-day winning streak. US gold futures eased 1 percent to \$1,330.4 an ounce.

"The general sentiment in the market is not supportive for gold, it's deteriorated somewhat. The stronger dollar is also not helping," ABN AMRO commodity strategist Georgette Boele said.

exchange rates – Sept 27

	US dollar			Sterling pound			Euro			Japanese yen			Swiss franc			Canadian dollar			Swedish krona			Saudi riyal			UAE dirham			Bahraini dinar			Omani riyal		
	Cash	Drift	Transfer	Cash	Drift	Transfer	Cash	Drift	Transfer	Cash	Drift	Transfer	Cash	Drift	Transfer	Cash	Drift	Transfer	Cash	Drift	Transfer	Cash	Drift	Transfer	Cash	Drift	Transfer	Cash	Drift	Transfer			
BEC	Buy	298100	298500	298500	385287	384286	384286	334067	334066	334066	0.02965	0.02965	0.02965	3.06574	3.06673	3.06673	2.28333	2.28333	2.28333	0.03237	0.03236	0.03236	0.78553	0.80053	0.80053	0.82607	0.80851	0.80851	7.78035	7.78534	7.78534		
	Sell	302800	302200	302200	395287	393886	393886	343067	341166	341166	0.03145	0.03145	0.03145	3.16674	3.16673	3.16673	2.28333	2.28333	2.28333	0.03237	0.03236	0.03236	0.80853	0.80693	0.80693	0.82607	0.82301	0.82301	7.84515	7.84534	7.84534		
Muzaini	Buy	301050	302250	302250	—	393680	393680	—	340790	340790	—	0.02960	0.02960	—	314700	314700	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
Dollarco	Sell	303000	302950	302950	398000	393480	393480	340000	338235	338235	0.03000	0.03000	0.03000	3.19500	3.20560	3.20560	236000	240560	240560	—	—	—	0.81500	0.81575	0.81575	0.83000	0.82280	0.82280	8.04000	8.01530	8.01530		
Commercial Bank	Buy	299000	300800	300800	387000	391008	391008	337000	338235	338235	—	0.02870	0.02870	3.02000	3.15715	3.15715	278000	279512	279512	—	—	—	0.72000	0.74986	0.74986	0.77000	0.77325	0.77325	7.37294	7.58923	7.58923		
	Sell	303900	302900	302900	398000	392831	392831	343000	340596	340596	—	0.02905	0.02905	3.17000	3.04597	3.04597	292000	281579	281579	—	—	—	0.75781	0.75781	0.75781	0.75828	0.76576	0.76576	7.41794	7.49073	7.49073		
Gulf Bank	Buy	300800	300800	300800	388000	388090	388090	336310	336310	336310	—	0.02722	0.02722	—	315568	306850	—	—	—	—	—	—	0.74290	0.74290	0.74290	0.77939	0.77394	0.77394	7.62290	7.56975	7.56975		
	Sell	302900	302900	302900	395930	395930	395930	343200	343200	343200	—	0.02765	0.02765	—	321998	315568	—	—	—	—	—	—	0.75670	0.75670	0.75670	0.76570	0.76570	0.76570	7.46616	7.41410	7.41410		
NBK	Buy	—	300800	300800	—	389900	389900	—	338070	338070	—	0.02867	0.02867	—	305920	305920	—	—	—	—	—	—	0.75670	0.75670	0.75670	0.77250	0.77250	0.77250	—	7.52820	7.52820		
	Sell	—	302900	302900	—	393980	393980	—	341790	341790	—	0.02906	0.02906	—	310250	310250	—	—	—	—	—	—	0.75640	0.75640	0.75640	0.77250	0.77250	0.77250	—	7.37070	7.37070		
Burgan Bank	Buy	—	300800	300800	—	390152	390152	—	338174	338174	—	0.02825	0.02825	—	301395	301395	—	—	—	—	—	—	0.77340	0.77340	0.77340	0.77140	0.77140	0.77140	—	7.40873	7.40873		
	Sell	—	302900	302900	—	393027	393027	—	340686	340686	—	0.02980	0.02980	—	318000	318000	—	—	—	—	—	—	0.77850	0.77850	0.77850	0.77237	0.77237	0.77237	—	7.50398	7.50398		
ABK	Buy	298300	300800	300800	386150	389640	389640	334540	337570	337570	—	0.02902	0.02902	—	304080	304080	—	—	—	—	—	—	0.79050	0.79760	0.79760	0.81485	0.81490						