

China auto sales shrink

China's auto sales shrank in April as demand for most types of vehicles wilted, an industry group said Thursday. The China Association of Automobile Manufacturers said 1.7 million passenger cars were sold in China last month, down 3.7 percent from the same period a year ago. That's down from 1.7 percent sales growth in March. Total vehicle sales, including buses and trucks, fell 2.2 percent from a year earlier to 2.1 million. "Car production and sales fell significantly last month," the association said in a statement. "Automotive market demand was weak." (AP)

Name: Kuwait Sharia

Compatible Indices

Providers: Al Madar Finance & Investment Co.

Description: Index of Sharia

compatible companies traded on the KSE

Website: www.almadar-fi.com

Table with columns: Index name, Bloomberg ticker, Today's value as of, Today's closing value, Prev closing value, % change, 1-week change, 3-month change, YTD change, 12-month change, 24-month change. Lists various indices like Kuwait Sharia Composite, Banking Sector, etc.

Analysts say new president could succeed where many have failed

Moon aims to shine new light on South Korean businesses

SEOUL, May 11, (AFP) The world's biggest smartphone maker Samsung and other conglomerates that dominate South Korea's economy are firmly in the reformist sights of new president Moon Jae-In — and analysts say he could succeed where many have failed. The likes of Samsung and Hyundai, sprawling family-led empires known as "chaebols", were crucial to the South's rapid economic transformation in the 1960s and 70s from the ruins of war. Now they employ vast numbers of people in Asia's fourth-largest economy. The revenues of Samsung alone, which has activities as diverse as a fashion line and an amusement park as well as making semiconductors and televisions, are equivalent to a quarter of

the country's GDP. They have gained immense political leverage, but also turned into objects of public scorn, accused of choking off innovation and engaging in corrupt business practices to ensure the families retain control of their empires. Cosy ties with the political elite were exposed by the scandal that brought down Moon's predecessor Park Geun-Hye, and on the campaign trail he vowed to squeeze the four biggest conglomerates — Samsung, Hyundai, SK and LG — labelling them "obstacles to economic growth". "I will take the initiative in reforming conglomerates," he said in his inauguration speech. Reform has been pledged many

times before — even by Park, and by Moon's own party — without being carried out, but the new president has blamed "weak motivation" in previous governments. Analysts say there is more momentum for change now, after millions of people took to the streets to demand Park's removal, many of them also targeting the chaebols. The level of public anger means the "chances of meaningful reform are much increased", said Capital Economics analyst Gareth Leather. Several chaebols took out full-page newspaper advertisements Thursday to congratulate Moon — Samsung's featured a smiling girl and proclaimed that "hope for a better tomorrow has begun".

The word "chaebol" originates from a combination of the characters for "wealth" and "clan". Many chaebol families retain only a small ownership stake in their companies, but maintain control through complex webs of cross-shareholdings between subsidiaries, and rapid promotions for family members. Among the casualties in the Park scandal was Samsung heir Lee Jae-Yong, who has gone on trial for allegedly bribing Park's secret confidante in exchange for government favours — including state approval for a controversial merger of two Samsung units seen as a key step to ensure a smooth transfer of power to him. Moon has promised to promote more

transparent corporate governance, aimed at breaking up the line of succession within chaebol families. Under a proposal to bring in cumulative voting for board elections, shareholders would be able to concentrate their votes on particular candidates, increasing the chances of outsiders winning seats. The change would be a "crucial catalyst for strengthening the independence and responsibility of the board", said C.W. Chung, an analyst at Nomura Securities. With liberals in control of parliament as well as the presidency, the likelihood of reform was "much higher than it has been at any time in the past", he added. A new watchdog committee with

members from prosecutors, police, tax authorities and the Fair Trade Commission to address unfair practices by conglomerates against smaller businesses has also been promised. Moon has vowed to restrict the number of presidential pardons granted to business leaders. "The chaebol families are the body of numerous white-collar crimes like accounting fraud, shell-fund creating and tax evasion," he said on the campaign trail. Chaebol leaders have regularly received mild punishments such as suspended sentences after being convicted of financial crimes, with courts often citing the potential impact to South Korea's economy of harsher sanctions.

China champions globalisation with its new 'Silk Road' summit

Move comes as US turns inward in favour of 'America First' policies

BEIJING, May 11, (AFP) China hosts on Sunday a summit showcasing its ambitious drive to revive ancient Silk Road trade routes and lead a new era of globalisation, just as Washington turns inward in favour of "America First" policies. Leaders from 28 nations, including Russian President Vladimir Putin and Turkish President Recep Tayyip Erdogan, will attend the two-day meeting at Yanqi Lake, located in a Beijing suburb near the Great Wall. But Western powers seem less enthusiastic about the project, with Italian Prime Minister Paolo Gentiloni the only leader coming from the Group of Seven industrialised nations. The forum will promote President Xi Jinping's One Belt, One Road Initiative (OBOR), a massive Chinese-bankrolled infrastructure project to link the country with Africa, Asia and Europe through a network of ports, railways, roads and industrial parks. China's push comes as Washington's leadership in global trade is changing under US President Donald Trump's nationalist "America First" stance.

In Europe, anti-globalisation sentiment has grown among voters and the continent has been rattled by Britain's looming exit from the European Union. "There is a pressing need in today's world to have a shared, open and inclusive cooperation platform ... to jointly tackle global challenges," Chinese Foreign Minister Wang Yi told reporters ahead of the summit. "What we need is not a hero that acts alone, but partners of cooperation that stick together," he said. OBOR spans some 65 countries representing 60 percent of the global population and around a third of global GDP. The China Development Bank alone has earmarked \$890 billion for some 900 projects. Analysts are sceptical that the Asian giant can take the lead in global commerce, while also cautioning that an integrated world trade system where China's ruling Communist party sets the rules could come with serious risks and hidden costs. Unequal The European Union's ambassador to Beijing, Hans Dietmar Schweisgut, recalled that EU companies have repeatedly complained about unequal market access in China. "We hope China will implement domestically what it is preaching internationally," Schweisgut told reporters on Tuesday. "The Chinese market, when it comes to investment, is not as opened as the Eu-

ropean market to Chinese companies." But Europe's large absence is a "missed opportunity" indicative of a "very inward-looking, very Eurocentric" outlook on the rise as leaders have less to gain politically at home from engagement with China, said Jean-Pierre Lehmann of Switzerland's IMD business school. "China's a reality and it's not going to go away. We can make things better by engaging with China instead of needlessly containing it," he said. Overcapacity For China, OBOR is a practical solution to relieve domestic overcapacity that plagues its industrial sectors such as steel. It is also a way to expand its strategic global influence — a key concern for Xi, who frequently trumpets the goal of a "great rejuvenation of the Chinese nation". China's propaganda machine is working hard to promote OBOR, with the official Xinhua news agency boasting that it has published 30,000 stories related to the programme in the past three years. "After the elapse of 1,300 years, ... powerful and prosperous China is emerging from the depth of history and returning to the centre of the world arena," the official Xinhua news agency has declared. Trump's decision to withdraw from the now-defunct Trans-Pacific Partnership free-trade agreement gave coun-

tries "added incentive" to join OBOR, June Teufel Dreyer of the University of Miami said. But she added: "What may look like benefits may turn out to entrap (participating countries) in a China-centred spider web." New York-based Fitch Ratings expressed concern that "genuine infrastructure needs and commercial logic might be secondary to political motivations", leading to "a heightened risk of projects proving unprofitable". Struggling countries could be saddled with Chinese loans requiring payment regardless of project performance, Fitch Ratings said. Meanwhile, reports of trains loaded with Chinese goods trundling towards Europe laden but returning empty have led to the quip "One Belt, One Way," Dreyer said. The forum will be China's first chance since OBOR's launch in 2013 to formally communicate its policies to participants on a large scale, said Li Ziguo, deputy director of the OBOR research centre at the China Institute for International Studies. "Many projects have been signed, but these need to be implemented on the ground," he said. Yang Shu, of Lanzhou University's Institute for Central Asian Studies, said many countries still do not really understand the project. "Even China is still unclear on what the ultimate goal is," Yang said.

Israel investment jumps over tenfold

China looking to invest in promising tech deals

HONG KONG/TEL AVIV, May 11, (RTRS) Struggling to seal deals in the United States as regulatory scrutiny tightens, Chinese companies looking to invest in promising technology are finding a warmer welcome for their cash in Israel. Chinese firms have long hunted in the United States for deals to develop their technological know-how and open up new markets, but their quarry has become more elusive since late 2016 due to increased US protectionism and a tougher regulatory stance. Last year, Chinese investment into Israel jumped more than tenfold to a record \$16.5 billion, with money flooding into the country's buzzing internet, cyber-security and medical device start-ups. These investments surged in the third quarter just as the US regulatory crackdown began to bite, Thomson Reuters data shows. In contrast, Chinese bidders scrapped a record \$26.3 billion worth of previously announced deals from the United States in 2016, the data shows. Speaking on the sidelines of a Hong Kong conference last month, TCL Corp chairman Li Dongsheng told Reuters the review of one target company, which he declined to name, had been frozen following the appointment of President Donald Trump, who has championed a protectionist agenda. Li's phones-to-fridges group is scouting in Israel instead.

"I'm flying to Israel in May where we've selected more than 10 potential targets," Li said, adding the group was interested in technology companies dealing in smart manufacturing, new materials, big data and internet applications. China Everbright Limited (CEL), the Hong Kong investment arm of state-owned China Everbright Group, is also looking to Israel, said Chen Shuang, CEL's chief executive. "Our Israel-focused fund has already invested in four local firms there, and we plan to invest in another three to four within this year." The Committee on Foreign Investment in the United States (CFIUS), which screens for national security risks, has become a major stumbling block for China-linked deals; China-backed Canyon Bridge Capital Partners has struggled with its \$1.3 billion takeover of Lattice Semiconductor after members of Congress raised security concerns. "The review has always been rigorous, but now it will be even more so (due to) a combination of increasingly strategic transactions from China and a new administration worried about certain Chinese actions," said Miriam Sapiro, a former deputy US Trade Representative who served as a CFIUS member during the administration of former President Barack Obama.

investment funds

Table with columns: Funds, Fund Manager, Valuation, Valued date, Currency, Net Asset Value (NAV), Prev NAV, Prev NAV Dated. Lists various funds from National Bank of Kuwait, Gulf Bank, Al Ahli Bank, Burgan Bank, Boubyan Bank, Kuwait Investment Co., and others.

Table with columns: Funds, Fund Manager, Valuation, Valued date, Currency, Net Asset Value (NAV), Prev NAV, Prev NAV Dated. Lists various investment funds from Index Funds, Kuwait Finance & Investment Co (KFIC), KAMCO, Wafra International Investment Co., Shuaa Capital Co., Al Aman Investment, Tharwa Investment Co., Bank Al-Bilad, Commercial International Bank, Noor Financial Investment Co., Al Zumorroda Investment Co., KFH Capital Investment Co., and CapCorp Investment Co.