

China's former insurance regulator charged with bribery

The former head of China's insurance regulatory body has been formally charged with bribery and abuse of power, prosecutors said on Monday, becoming the most senior financial regulator to be targeted in a continuing crackdown on corruption.

Xiang Junbo, 61, took advantage of his position to amass "an enormous amount of assets" first as a deputy governor of the

central bank, then as head of the state-owned Agricultural Bank of China, and finally as chairman of the China Insurance Regulatory Commission, the Supreme People's Procuratorate said in a statement.

Xiang was appointed to the top job at the regulatory commission in 2011.

He was put under investigation in April last year by the Communist Party's anti-graft

watchdog for suspected "serious disciplinary violations", a phrase that usually refers to graft.

Xiang, who also served as a member of the central bank's monetary policy committee, was removed from his position immediately after the investigation began.

Xiang's case has been handed over to the prosecutor's office in the eastern city of Changzhou, the statement said. (AFP)

Shares down 4 percent

WPP embarks on a new journey without Sorrell

LONDON, April 16, (RTRS): WPP, the world's biggest advertising company, entered uncharted territory on Monday without its founder Martin Sorrell whose departure has left it rudderless at a time of swirling industry change.

Shares in the group fell 4 percent after Sorrell, the driving force behind 33 years of dealmaking and relentless expansion, stepped down on Saturday after the board investigated an allegation of misconduct.

The sudden departure of Sorrell, the face of the company since he founded it in 1985, has sparked questions as to whether the holding group can remain in its current form of employing 200,000 people in more than 400 agencies across 112 countries.

It has also prompted fears that without Sorrell's contacts it could lose clients and talent while it seeks out a new CEO.

"Sorrell's departure is negative considering ... how instrumental he has been in assembling the assets WPP has today," said Pivotal Research analyst Brian Wieser.

WPP said that chairman Roberto Quarta will step up to be executive chairman while its digital boss Mark Read and Andrew Scott, the chief operating officer of WPP Europe who oversaw acquisitions, become joint chief operating officers.

They inherit a difficult task, with WPP in March publishing its weakest results since the financial crisis as consumer goods groups such as Unilever and P&G cut spending and other customers jumped ship.

The industry is also battling the might of Google and Facebook, which dominate the online advertising market, and watching nervously as consultants such as Accenture move more aggressively into the sector.

The changing dynamics have meant the previous idea of building marketing groups up to offer advertising, branding, planning and research on a global scale - championed by Sorrell and followed by others - is now under threat as clients want more nimble relationships in a digital age.

Many are starting to ask if they can do things differently - creating their own content to place directly on online platforms or working with smaller ad groups.

Analysts are already saying that WPP's market research arm Kantar could be sold off for around 3.5 billion pounds (\$5 billion), compared with the group's overall market value of 14.5 billion pounds, and question whether there are synergies from holding PR assets like Finsbury.

"We think the lack of operational direction for the group and potential for client losses are clear downside risks over the short to medium term," Deutsche Bank said.

"The potential for asset sales or even a break-up may provide some support, but these are highly uncertain and unlikely to take place in the near-term."

Sorrell, 73, did not have a non-compete clause and could set up a new advertising business. He owns 1.4 percent of WPP, according to Thomson Reuters data.

With so much change in the industry, some analysts have questioned whether the group should seek a new CEO from outside who could look at it dispassionately.

Names already in the frame include Jerry Buhlmann, who runs the Dentus Aegis network, and Adam Crozier who previously ran broadcaster ITV and Royal Mail. Jeremy Darroch, the well regarded CEO of bid target Sky, and Andrew Robertson, boss of rival ad agency BBDO, have also been linked with the job.

From inside WPP Read, 51, is seen as the lead candidate.

While a common refrain heard about WPP is that no one knows the company like Sorrell, Read is the one man who comes close after he wrote to the WPP boss asking for a job in 1989.

From the company's office in Farm Street, Mayfair, he watched as Sorrell pulled off a string of takeovers before building his own profile by growing its digital operations.

He spent nearly 10 years on the WPP board, introducing him to investors, and is regarded by peers as a strategic thinker who can win corporate pitches to bring in work.

Scott, 49, is better known in the corporate world than the advertising community, having worked on the company's acquisition strategy.

"Mark will be responsible for clients, operating companies and people," a spokesman said. "Andrew will focus on financial and operational performance and implementing on-going reorganisation of the group's portfolio."

They will "report to and be supported" by Chairman Quarta. Read has already contacted senior executives within WPP to offer to speak to clients and reassure them that work will continue as normal.

Whoever replaces Sorrell however will face longer-term questions as to whether a group that was built in his mould should remain intact after his departure.

David Jones, the former CEO of WPP peer Havas and the founder of tech marketing group You and Mr Jones, predicted WPP would eventually end up missing Sorrell more than he would WPP.

"No one else can keep that company together the way he has been able to because he built it," he told Reuters.

LONDON, April 16, (Agencies): Oil prices fell sharply and government bond yields rose on Monday on the view that this weekend's US-led missile strikes on Syria were unlikely to mark the start of a broader conflict.

European shares eased, however, adding to a mixed picture from Asian stock markets and suggesting that a degree of caution prevails.

While last week's bid for investment safety in top-rated government bonds unwound, other traditional safe-haven bets held firmer. Gold prices were little changed, while Japan's yen and the Swiss franc were higher than levels seen late on Friday.

European and US government bond yields, which move inversely to prices, rose across the board. That was partly as attention turned to what is expected to be a robust first-quarter US corporate earnings season, which begins in earnest this week.

Oil prices, meanwhile, dropped sharply. Brent crude fell more than 1 percent to \$71.78 a barrel, with a rise in US drilling for new production also dragging on prices.

MSCI's world equity index, which tracks shares in 47 countries, was flat on the day and a benchmark pan-European stock index was marginally lower.

US stock futures were pointing to a higher opening on Wall Street, with Dow and S&P Futures up 0.6 percent each and Nasdaq futures up 0.7 percent.

The dollar failed to hold its early gains on the yen and eased to 107.27, though that was still up on last week's low around 106.62.

Japan's Nikkei rose 0.3 percent while MSCI's broadest index of Asia-Pacific shares outside Japan slipped 0.4 percent as Chinese blue-chips skidded 1.7 percent.

The euro was a higher at \$1.2368, while the dollar index eased to 89.540.

US

US stock index futures rose on Monday as investors bet the weekend's US-led missile attack on Syria would not escalate into a broader conflict, while turning their focus to the earnings season.

Shares of JPMorgan, Wells Fargo and Citigroup, all of which reported on Friday, were also higher.

Analysts are expecting the S&P

Invest in electric cars or lose out: German min

The German automotive industry must invest heavily in electric car technology and develop battery production facilities in Europe to keep up with global competitors, Economy Minister Peter Altmaier said in a newspaper interview published on Monday.

Altmaier told Germany's mass-circulation Bild newspaper that the carmakers needed to invest high "two-digit billion amounts" in electric car technology, saying

he did not understand why the firms had hesitated for so long.

Investments were also needed in battery production, given expected demand for many millions of electric batteries that could help firms earn good money, he said.

"Otherwise we'll have to accept that a large part of the added value will be produced in Asia or the United States, instead of here with us," he said.

The German car industry, which accounts for some 800,000 jobs in Europe's biggest economy, is struggling with a global backlash against diesel cars after Volkswagen admitted in 2015 that it had cheated US exhaust tests.

To help reduce pollution levels and avoid a total ban on diesel vehicles, VW, Daimler and others have stepped up development of electric cars. (RTRS)

Global stocks flat ahead of US earnings; bond yields firm up

Crude oil prices drop more than 1.5 pct

500 companies to record an 18.6 percent rise in profit, their strongest earnings growth in seven years, according to Thomson Reuters I/B/E/S.

However, many traders say that reactions to results could be muted as market participants have already priced in gains from corporate tax cuts, reflected in the stock market's strong rally in 2017 and early 2018.

At 8:44 am ET, Dow e-minis were up 158 points, or 0.65 percent. S&P 500 e-minis rose 16.25 points, or 0.61 percent and Nasdaq 100 e-minis gained 41.75 points, or 0.63 percent.

Waning fears of a broader conflict in Syria pushed short-dated US Treasury yields to their highest level in almost a decade, while crude oil prices eased due to a rise in US drilling activity.

"We're seeing a little bit of an uptick in yields and pullback in oil, and those are likely to constrain any strong reaction to earnings and macro news," said Cardillo.

Data on Monday showed US retail sales increased more than expected in March, rising after three straight monthly declines, as households boosted purchases of motor vehicles and other big-ticket items.

Shares of Netflix, which is expected to report results after market close on Monday, rose 1.44 percent.

Europe

Russia holding back on any military riposte helped lift Wall Street, as did strong retail sales, but European equities closed lower as the region's key currencies strengthened against the dollar.

"The limited and targeted strikes in Syria that provoked no serious response from Russia were a relief to markets that were pricing in escalation," said Jasper Lawler, head of research at LCG.

The commodities-heavy FTSE-100 in London slipped as oil prices slid, and shares in BP and Shell both fell.

Also weighing on the FTSE 100 index was a strong pound which hit the share prices of multinationals earning large amounts in other currencies.

British advertising and marketing group WPP topped the FTSE fallers after chief executive Martin Sorrell resigned over the weekend.

Sorrell's departure came 10 days after WPP launched an independent probe into allegations of his personal misconduct through the misuse of company assets.

The company, widely regarded as a bellwether for the global ad-

vertising industry, was around three percent lower in late trading, having earlier fallen by more than five percent.

"WPP has been losing ground in the advertising world recently, as traditional advertising is losing out to online and social media marketing," said CMC Markets analyst David Madden.

"Sir Martin was an integral part of WPP, and some market confidence has been lost now that he is no longer at the helm."

Key figures around 1540 GMT: London — FTSE 100: Down 0.9 percent at 7,198.20 points (close)

Frankfurt — DAX 30: Down 0.4 percent at 12,391.41 (close)

Paris — CAC 40: Down 0.04 percent at 5,312.96 (close)

EURO STOXX 50: Down 0.2 percent at 3,441.04

Asia

Most Asian markets fell on Monday after a US-led strike on Syrian targets fuelled fresh concerns over the tinderbox Middle East, though analysts said investors were hopeful the crisis would not escalate.

Hong Kong fell 1.6 percent, while Shanghai had slipped 1.5 percent at the close, with traders there awaiting the release Tuesday of first-quarter Chinese growth data.

Property firms in Hong Kong took a hit on fears of an end to the era of low interest rates as the city's de facto central bank was forced to support the local dollar, which is at 7.85 to the greenback, the lowest end of its band with the US unit.

The Hong Kong Monetary Authority has spent about US\$1.7 billion boosting the currency, which has been hit by a flow of cash out of the city to the United States in search of higher interest rates.

Singapore fell 0.2 percent, while Wellington and Taipei also declined.

However, Tokyo ended in positive territory, up 0.3 percent, while Sydney edged up 0.2 percent and Seoul 0.1 percent.

"The markets are taking the surgical strike at the heart of Syria's chemical weapon programme in their stride as traders had priced in this outcome with a high degree of probability," Stephen Innes, head of Asia-Pacific trade at OANDA, said in a note.

Key figures around 0810 GMT: Tokyo — Nikkei 225: Up 0.3 percent at 21,835.53 (close)

Hong Kong — Hang Seng: Down 1.6 percent at 30,315.59 (close)

Shanghai — Composite: Down 1.5 percent at 3,110.65 (close)

Dollar/yen: Down at 107.30 yen

from 107.35

Oil

Oil eased on Monday after US drilling activity rose and fears waned about escalating tensions in the Middle East following air strikes on Syria over the weekend.

The United States, France and Britain launched 105 missiles on Saturday, targeting what they said were three chemical weapons facilities in Syria in retaliation for a suspected poison gas attack on April 7.

The oil price had risen nearly 10 percent in the run-up to the strikes, as investors bulged up on assets, such as gold or US Treasuries, that can shield against geopolitical risks.

By 1140 GMT on Monday, Brent crude oil futures were down 83 cents at \$71.75 a barrel, while US crude futures were down 78 cents at \$66.61 a barrel.

Although Syria itself is not a significant oil producer, the wider Middle East is the world's most important crude exporter and tension in the region tends to put oil markets on edge.

"Investors continued to worry about the impact of a wider conflict in the Middle East," ANZ bank said.

Fund managers hold more Brent futures and options than at any time since records began in 2011, according to data from the InterContinental Exchange.

Investors have added to their bullish positions in Brent, which now equal nearly 640 million barrels of oil, in nine out of the last 10 months, in part thanks to the premium of the front-month futures contract over those for delivery at a later date, known as "backwardation".

Gold

Gold retreated on Monday, surrendering gains made in earlier trade on the back on this weekend's air strikes on Syria, as financial markets wagered the latest US-led intervention would not escalate into a wider conflict.

A softer tone to the dollar kept the metal firmly underpinned, however. Prices have trended sideways since January, buoyed by geopolitical worries but capped by expectations for further US interest rate hikes and strong technical resistance at \$1,360-\$1,365 an ounce — their January, February and April highs.

Spot gold was at \$1,342.62 an ounce at 1130 GMT, down 0.2 percent and off an earlier peak of \$1,348.69. US gold futures were 0.2 percent lower at \$1,345.60 an ounce.

exchange rates – April 16

	US dollar			Sterling pound			Euro			Japanese yen			Swiss franc			Canadian dollar			Swedish krona			Saudi riyal			UAE dirham			Bahraini dinar			Omani riyal						
Symbol	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	Cash	Drift	Transfer	Cash	Drift	Transfer	
BEK	Buy	296550	298300	298300	422579	420578	420578	364898	364898	364898	.002717	.002717	.002717	.305475	.30474	.30474	232801	230800	230800	.031389	.031389	.031389	.079087	.079586	.079586	.063400	.063885	.063885	.790849	.790349	.790349	.774591	.792893	.792893			
	Sell	300950	300650	300650	.430079	.430178	.430178	.372398	.371998	.371998	.002897	.002897	.002897	.316475	.313474	.313474	241801	240800	240800	.036389	.036389	.036389	.080387	.080226	.080226	.082130	.081881	.081881	.793349	.798849	.798849	.780271	.782023	.782023			
Muzalini	Sell	.300700	.300700	.300700	—	.426390	.426390	—	.371670	.371670	—	.002806	.002806	—	.315860	.315860	—	.238080	.238080	—	—	—	—	.080240	.080240	—	.081946	.081946	—	—	—	—	—	—			
Dollar	Sell	.300400	.300250	.300250	424500	423470	423470	424500	423470	423470	.002990	.003835	.003835	315000	288510	288510	234500	233585	233585	—	—	—	.080500	.080960	.080960	.082750	.082150	.082150	.796500	.798475	.798475	—	—	—	—	—	—
Commercial Bank	Buy	296000	299250	299250	426000	427658	427658	368000	369903	369903	—	.002791	.002791	310000	311881	311881	236000	237208	237208	—	.035530	.035530	.078000	.079821	.079821	.081228	.081508	.081508	.791381	.794188	.794188	.775817	.777576	.777576			
	Sell	.301600	.301350	.301350	.433000	.430659	.430659	.375000	.372499	.372499	—	.002810	.002810	319000	314070	314070	243000	238873	238873	—	.035780	.035780	.082000	.080381	.080381	.082044	.082080	.082080	.799335	.799761	.799761	.783614	.783032	.783032			
Gulf Bank	Buy	299250	299250	299250	424280	424280	424280	366960	366960	366960	.002780	.002780	.002780	.308980	.308980	.308980	253592	253592	253592	.035230	.035230	.035230	.079660	.079660	.079660	.081290	.081290	.081290	.789830	.789920	.789920	.775950	.775950	.775950			
	Sell	.301350	.301350	.301350	.432860	.432860	.432860	.374440	.374440	.374440	.002820	.002820	.002820	.315340	.315340	.315340	240690	240690	240690	.035630	.035630	.035630	.080760	.080760	.080760	.082300	.082300	.082300	.801630	.801630	.801630	.786750	.786750	.786750			
NBK	Buy	.299250	299250	—	.426430	.426430	—	.368860	.368860	—	—	.002787	.002787	—	.310330	.310330	—	.236950	.236950	—	.035250	.035250	—	.079730	.079730	—	.081420	.081420	—	—	—	—	.782610	.782610			
	Sell	.301350	.301350	—	.431080	.431080	—	.373100	.373100	—	—	.002821	.002821	—	.314300	.314300	—	.239960	.239960	—	.035620	.035620	—	.080490	.080490	—	.082180	.082180	—	—	—	—	.800610	.800610			
Burgan Bank	Buy	.299250	299250	—	.427074	.427074	—	.369723	.369723	—	—	.002790	.002790	—	.311378	.311378	—	.237283	.237283	—	.035475	.035475	—	.079688	.079688	—	.081362	.081362	—	—	—	—	.793284	.793284			
	Sell	.301350	.301350	—	.432022	.432022	—	.372468	.372468	—	—	.002811	.002811	—	.313726	.313726	—	.239043	.239043	—	.035737	.035737	—	.080461	.0804												