

### YouTube to invest \$25 mn to boost 'trusted' news

YouTube unveiled plans to invest \$25 million in news organizations as part of an effort to boost trusted journalism and combat misinformation.

The Google-owned online video service said it would offer funding "across approximately 20 global markets to support news organizations in building sustainable video operations."

The grants "will enable our partners to build key capabilities,

train staff on video best practices, enhance production facilities and develop formats optimized for online video," YouTube said in a statement late Monday.

The latest move is part of a \$300 million Google News Initiative announced earlier this year by YouTube's parent to help curb manipulation and misinformation, which can spread easily online.

The YouTube effort comes as

Google and Facebook -- companies that drew heavy criticism following the 2016 US election for failing to prevent the propagation of false news -- have been taking a series of steps to promote verifiable journalism.

"The work of trusted journalistic organizations is as critical as ever, especially when it comes to seeking information about current events online," YouTube said. (AFP)

### India muscles past France in World Bank ranking

India has become the world's sixth-biggest economy, pushing France into seventh place, according to updated World Bank figures for 2017.

India's gross domestic product (GDP) amounted to \$2.597 trillion at the end of last year, against \$2.582 trillion for France.

India's economy rebounded strongly from July 2017, after several quarters of slowdown blamed on economic policies

pursued by Prime Minister Narendra Modi's government.

India, with around 1.34 billion inhabitants, is poised to become the world's most populous nation, whereas the French population stands at 67 million.

This means that India's per capita GDP continues to amount to just a fraction of that of France which is still roughly 20 times higher, according to World Bank figures. Manufacturing and consumer

spending were the main drivers of the Indian economy last year, after a slowdown blamed on the de-monetisation of large banknotes that Modi imposed at the end of 2016, as well as a chaotic implementation of a new harmonised VAT regime.

India has doubled its GDP within a decade and is expected to power ahead as a key economic engine in Asia, even as China slows down. (AFP)

### Germany, China committed to multilateral order: Merkel

# German investor mood slumps on trade war fears

FRANKFURT, July 10, (Agencies): Confidence among investors in Germany plunged sharply in July, the ZEW economic institute said Tuesday, reaching its lowest level since August 2012 over signs that a trade war was far from abating.

"Above all, fears of an escalation in the international trade war with the United States" drove the institute's barometer based on a survey of financial players down 8.6 points to reach -24.7, ZEW president Achim Wambach said.

President Donald Trump has hit steel and aluminium imports to the US with tariffs and threatened to do the same to European cars, after the European Union retaliated with border taxes of its own on American goods.

Major German firms have also suffered from the White House's trade war with Beijing, the second front in Trump's battle to slash US deficits, as their cars built in America face new tariffs when entering China.

Investors' views of the current situation in both Germany and the 19-nation eurozone worsened, suggesting recent "good news on industrial production,

industrial orders and the labour market are more than cancelled out by the expected negative effects on exports" from the trade war, Wambach said.

Investors surveyed by ZEW also saw a bleaker future outlook for the 19-nation eurozone, with that index falling 6.1 points to reach -18.7.

ZEW polled 201 financial analysts and investors to compile its monthly index.

Meanwhile, Germany and China are both committed to multilateralism and a rules-based global trade order, German Chancellor Angela Merkel said at a joint news conference with Chinese Prime Minister Li Keqiang on Monday.

Speaking after a joint government meeting at which a raft of economic cooperation agreements between German and Chinese companies were signed, Merkel also praised China for opening up its markets to further foreign investment.

"We both want to sustain the system of World Trade Organisation rules," she said. "But we also discussed market access - you could call it reciproc-

## Switzerland join other countries to challenge US tariffs at WTO

GENEVA, July 10, (AFP): Switzerland has joined a string of countries launching challenges to Washington's new steel and aluminium tariffs at the World Trade Organization, Bern said Tuesday.

The Swiss economic affairs ministry said it had formally asked the US for "consultations" over tariffs of 25 percent on steel and 10 percent on aluminium.

Consultations constitute the first step in a full-blown legal challenge before the global trade body.

Switzerland, where the organisation is based, had on Monday "submitted a request for consultations

with the US as part of WTO dispute settlement proceedings," the ministry said in a statement.

Several other WTO members, including the European Union, China, India, Mexico, Canada and Russia, are also fighting back against President Donald Trump's controversial trade policies.

Marking a departure from a decades-long US-led drive for free trade, Trump has justified the steep tariffs with claims that massive flows of imports to the United States threaten national security.

The tariff spat has escalated into an all-out trade war between the

US and China.

According to Tuesday's statement, Switzerland exported steel and aluminium products to the United States last year to the tune of around 80 million Swiss francs (\$80.7 million, 68.7 million euros).

"From Switzerland's point of view, the additional duties ... are unjustified," the ministry said, pointing out that Bern had contacted Washington when the tariffs were announced in March to request an exemption.

"The US has not responded to Switzerland's request for an exemption from the tariffs to date,"

the statement said, adding that the request for WTO consultations had been launched "in order to protect Switzerland's interests."

Bern did not mention possible retaliation, but other countries that have launched WTO challenges have warned they would slap tariffs on American products equivalent to the damage the US move was estimated to cause to their industries.

Under WTO rules, if 60 days pass without consultations resolving the dispute, Switzerland can ask the body to set up dispute panel, triggering a long and likely costly legal battle.

ity," she added, reflecting widespread concern among European officials that Chinese firms find it easier to invest in Europe than vice versa.

Both exporting powerhouses stand to lose from a looming trade conflict with the United States.

German exports rose in May, suggesting trade disputes in recent days with the United States haven't yet damaged Europe's biggest economy.

The national statistics agency said Monday that exports rose by 1.8 percent over April. Compared with a year

earlier, exports were down 1.3 percent.

Analyst Carsten Brzeski at ING said a recent weakening of the euro currency's exchange rate should more than offset the negative effects of U.S. tariffs on European aluminium and steel. However, he added that "look-

ing ahead and despite the very benign impact of trade tensions so far, a fully-fledged trade war would surely leave negative marks on the German economy."

For the moment, "the hard data tells a different story."

### Need a loan?

## Many business owners provide staffers support

NEW YORK, July 10, (AP): Want a loan? Advice? When an employee needs help, many small business owners are comfortable mixing the personal with the professional and willingly provide some support.

J. Colin Petersen has assisted staffers in a variety of ways: extra cash, lawyer recommendations, loaning a personal car, taking employees to doctor appointments and replacing a stolen smartphone. And, "just listening to the anxieties of any of my team members that need a sympathetic ear or advice about how to handle a problem."

Petersen, president of information technology company J-IT Outsourcing, believes that if he helps his 12 full-time employees when they're wrestling with a problem, their performance — and in turn, his Fresno, California-based company — will benefit.

Many small business owners take an interest in their employees because they want a friendly or even family-feeling atmosphere, unlike the ambience of a big corporation. They also want staffers to feel appreciated as people, not just as workers, and know that employees who are treated well are less likely to leave. But employment law attorneys and human resources consultants advise owners to strike a balance — there can be unintended consequences when a boss is too friendly or too generous.

#### Mindful

Nicole and Dennis Drake are mindful that the employees of their two Tropical Smoothie Cafe franchises are high school and college students who can use a little guidance about work and life. The couple asks staffers at the stores in Gainesville and Ashburn, Virginia, about school, what subjects they're taking, how they're doing, Nicole Drake, who describes herself as a math nerd, offers help with homework and makes sure that working at the stores doesn't interfere with school assignments.

"This job is not your last stop, so there's no way your grades should suffer," she tells her young staffers. And when they're ready to move on, she lends a hand with resumes. The Drakes also have

helped with extracurricular activities, including fundraising in memory of a young woman who killed herself who had been a friend of one employee.

"When you've got a team, you want to do what's right," Nicole Drake says.

Owners need to be sure that their compassion, especially if it comes in the form of loans, gifts or other benefits, is available to all staffers. Showing favoritism can make an owner liable if an employee who felt discriminated against sues the company.

Employers should also have objective criteria they follow when they're offering help, says Nammina Angioni, an employment law attorney with Kaedian LLP in Los Angeles. For example, if they're willing to lend money for medical bills, they can't decide to offer it for one kind of illness but not another.

#### Retaliate

Angioni also recommends against handing out personal advice — someone who didn't have the boss's ear could later retaliate.

"You can comfort someone, but don't get into details," Angioni says.

Owners need to create a balance, says Jay Starkman, CEO of human resources provider Engage PEO, based in Hollywood, Florida.

"While you want to be approachable, you want to create a collegial atmosphere," Starkman says. He suggests that if employees come into the owner's office and start to unburden themselves, the boss can listen, but set a time limit. And if staffers seem to need advice or support, connect them with an employee assistance program for free counseling.

But always act humanely: "You don't want your place of employment to become this sterile, nobody-can-talk-to-each-other, horrible place to be," Starkman says.

The staffers at Samantha Martin's public relations firm tend to be young people newly arrived in New York who find they have big bills to pay and don't have family nearby.

So she's loaned employees money to get an apartment or pay for dental work, and given others advice about personal problems. She can't afford big corporate benefits, but these are things she can do.

# US job openings dip in May as quits reach 17-year high

Interest rates highest in decade at weekly Treasury auction

WASHINGTON, July 10, (AP): Businesses advertised fewer jobs in May than the previous month, but the tally of open positions outnumbered the ranks of the unemployed for only the second time in the past two decades.

The Labor Department also says the proportion of workers quitting their jobs reached the highest level since April 2001. Quits are seen as a positive sign that workers are confident they can find another job. Most people who quit do so for higher-paying positions.

The figures reflect a strong job market driven by optimistic employers seeking to expand their workforces. Last week's jobs report showed that businesses hired workers at a healthy pace and the unemployment rate remained very low, at 4 percent.

There were 6.64 million available jobs in May, but just 6 million unemployed people.

Meanwhile, the proportion of American workers that quit their jobs in May reached the highest level in 17 years, a sign that more people are confident they can find a new job, likely at higher pay.

Businesses also advertised fewer jobs in May than the previous month, but the tally of open positions outnumbered the ranks of the unemployed for only the second time in the past two decades, the Labor Department said Tuesday.

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The percentage of workers quitting their jobs reached 2.4 percent in May, the highest level since April 2001. More quits are a sign of a strong job market because workers typically leave jobs for a new one that pays more. Workers who switch jobs see larger raises than those who stay in the same position, government data shows.

There were 6.64 million available jobs in May, down 3 percent from April's figure of 6.84 million, which was the most in the nearly two decades that records have been kept. At the same time, there were just 6 million unemployed people in May.

Nick Bunker, an economist at the job-listing website Indeed, calculates that there are now just 0.91 unemployed workers for each available job, also the lowest on record.

The need to compete for such a small pool of workers should force companies to raise pay in order to fill their open jobs, yet pay gains remain modest.

Meanwhile, interest rates on short-term US Treasury bills rose in Monday's auction to their highest levels in a decade.

The Treasury Department auctioned \$48 billion in three-month bills at a discount rate of 1.945 percent, up from 1.940 percent last week. Another \$42 billion in six-month bills was auctioned at a discount rate of 2.100 percent, up from 2.085 percent last week.



Trader Michael Capolino works on the floor of the New York Stock Exchange, Tuesday, on July 10. Energy and industrial companies are leading stocks higher in early trading on Wall Street following three straight days of gains for the market. (AP)

### Greece outperforms in European bonds

## Italy's bond yields pushed up

LONDON, July 10, (RTRS): Italian government bond yields rose on Tuesday, reversing earlier falls after comments on Italy's membership of the single currency by a eurosceptic member of the government.

European Affairs Minister Paolo Savona said Italy needed to be ready for "all eventualities" regarding its membership of the euro zone, which might depend on factors outside its control.

Savona was originally picked as economy minister by the anti-establishment coalition that took office last month, but the choice was vetoed by the head of state because of his critical views about the euro.

In a sign of how sensitive markets have become to Italian political developments, bond yields rose and Milan's blue-chip share index erased earlier gains after the remarks.

"He is a well-known eurosceptic and he seems to be being deliberately provocative," said Chris Scicluna, head of economic research at Daiwa Capital Markets in London.

"To the extent that we knew his views already, the latest comment provides a reminder that there are people in the government with these views and that the Italian government is on a path of confrontation with the European Union."

Italy's 10-year bond yields, which had traded lower for much of the day, were up 1.5 basis points, while five-year bond yields were 2 bps

## UK economy strengthens in May

LONDON, July 10, (AP): The British economy expanded by 0.3 percent in May from the previous month, a strong performance that is likely to further bolster expectations that the Bank of England will raise interest rates next month.

The Office for National Statistics said Tuesday that much of the growth was due to a 2.9 percent growth in construction. It was the first time the agency published monthly figures for

higher at 1.81 percent.

The closely-watched gap between benchmark 10-year Italian and German government bond yields briefly widened to 240 bps before falling back to around 236 bps.

Most other euro zone bond yields edged higher as the first wave of this week's hefty bond supply hit the market.

Germany and Netherlands sold a combined amount of nearly 3 billion euros (\$3.5 billion) of bonds on Tuesday, with Irish and Italian auctions to follow later in the week.

"There is a lot of duration-heavy supply this week with the overall market sentiment for risk supportive as the markets digest them," said Orlando Green, a fixed income strategist at Credit Agricole in London.

Gilt yields surged after data showed that UK economic growth had picked up momentum on a

monthly basis, boosting expectations of a Bank of England interest rate increase in August.

That added to upward pressure on euro zone bond yields.

Benchmark 10-year gilt yields rose by more than four basis points to nearly 1.31 percent, on track for their biggest daily rise in more than a month.

A flattening bias was evident in the British yield curve with shorter-end debt supported by expectations of a rate rise in August, while concerns over the longer-term outlook for the economy kept a lid on yields in longer maturities.

Core German debt yields rose around 2 basis points on both five and 10-year maturities.

Greece's bond market continued its outperformance, with 10-year yields falling to five-month lows as rising risk appetite fostered demand for high-yielding debt.

## Trade protectionism is main risk to economy: ECB head

FRANKFURT, Germany, July 10, (AP): European Central Bank head Mario Draghi says that new trade barriers are the main risk to Europe's economy and that it's up to the EU to "lead by example" by supporting economic openness and reforming its institutions.

Draghi told the European parliament Monday that the bank had decided to phase out its 2.4 trillion-euro (\$2.8 trillion), three-year stimulus program at year-end because inflation is finally trending in line with the ECB's goal of just under 2 percent. Along with that, economic growth has created 8.4 million jobs since mid-2013.

The risks now "mainly relate to the threat of increased protectionism," he said.

US President Donald Trump has imposed tariffs on steel and aluminium imports and on a range of Chinese goods, leading to retaliation from China, the EU and others. Trump's moves

have emphasized national interest and country-to-country deals, instead of putting trade issues in international, rules-based frameworks such as the World Trade Organization.

Draghi said that "a strong and united European Union can help reap the benefits of economic openness while protecting its citizens against unchecked globalization."

"In leading by example, the EU can lend support to multilateralism and global trade, which have been cornerstones of growing economic prosperity over the past seven decades," he said.

Draghi said that in order to accomplish that EU would have to strengthen its own institutions, including the setup of the 19-country euro currency. Draghi urged risk-sharing measures such as EU-level deposit insurance that would reassure depositors their savings would be safe even if their country ran into financial trouble.