

BUSINESS

Emerging market stocks dipped on Tuesday after the United States said it would restore tariffs on metal imports from Brazil and Argentina, raising concerns of yet another trade war for the world's largest economy.

But losses were limited as markets awaited further clarity on the tariffs, which were tweeted by US President Donald Trump on Monday without any details.

A basket of emerging market stocks

fell as much as 0.4% to a more than one-month low. Chinese stocks touched their lowest level in more than three months during the session, but ended slightly higher.

"(The tariffs) bring about the possibility of a trade war on multiple fronts," said William Jackson, chief emerging markets economist at Capital Economics.

Given the economic impact of the drawn-out Sino-US trade dispute, which has hurt global growth and dented busi-

EM stocks slip as US tariffs on Brazil, Argentina spark fresh trade woes

ness sentiment, investors are wary of the fallout from a new trade conflict with the Latin American export heavyweights.

However, analysts warned that the direct impact on exports from Brazil and Argentina might be limited.

"On a macro perspective, metal exports from Brazil and Argentina to the United States aren't very large, so it shouldn't have much of an impact on them," Jackson said.

The Brazilian real firmed 0.3% against

the dollar on Monday, while the Argentine peso was nearly flat.

South African stocks dropped to a near two-month low on Tuesday ahead of third-quarter GDP data, which is expected to show the economy expanding by 0.1% year-on-year. The rand was also slightly weaker ahead of the data, due later in the day.

The Turkish lira softened as inflation data for November came in slightly short of expectations. The reading could

prompt a sizeable rate cut next week from the central bank, which is eyeing an annual inflation target of below 12%.

Broader emerging market currencies were largely muted, as the US dollar was undercut by disappointing manufacturing data, as well as news of the Latin American tariffs.

Currencies in central and eastern European economies including Hungary, Poland and the Czech Republic were largely flat against the euro. (RTRS)

Italy's biggest two food cos

Battle of the biscuits as Ferrero takes on Barilla

MILAN, Dec 3, (RTRS): In the red corner is Italy's reigning cookie champion, Barilla's Gocciola. Across the ring in the blue corner is the challenger, Ferrero's Nutella Biscuit. Fight!

After clashing over chocolate spreads, Italy's two biggest food companies, Barilla and Ferrero, are now battling about biscuits.

Ferrero is the challenger this time, launching the Nutella cookie in an attempt to crack Barilla's leadership of the biscuit sector in Italy, where the latter has a 37% market share with products including top-seller Gocciola.

The newcomer is made of pastry and filled with Ferrero's flagship chocolate spread, which was invented by the family-owned food company in 1964.

But Barilla is defending its corner, and is itself preparing to launch a new cookie in a similar vein to Nutella Biscuit: Biscocrema, made of a cocoa cookie covered with Barilla's own spread and topped with a chocolate disk with a white star.

The showdown is the reverse of the state of play in the spreads sector, where Barilla introduced chocolate spread Crema di Pan di Stelle in January to challenge the dominance of Nutella, which has a market share of more than 80% in Italy.

"We want Nutella Biscuit to be the best-selling cookie in Italy, reaching sales of around 80 million euros," Ferrero Chief Executive for Italy Alessandro

d'Este said when he presented the cookie last month.

But Barilla, which is known worldwide for its pasta, does not want to talk about a battle among cookies.

"Biscocrema is more an indulgence product than a biscuit for breakfast ... that's why we are looking at expanding the overall cookie category with it more than competing with others," Barilla's senior marketing executive Julia Schwoerer said at an event to present the new product on Friday.

For Italians, who normally eat biscuits at breakfast, the two cookies offer a sweet snack between meals and could expand the overall biscuit market, which is currently worth 1.2 billion euros (\$1.32 billion) in annual sales.

The two new cookies could also appeal to customers outside Italy, where biscuits are more often eaten as snacks.

The global market for cookies, worth \$73.7 billion according to market research provider Euromonitor International, is dominated by Mondelez with its creme-filled Oreos.

Ferrero's Nutella Biscuits went on sale in Italy last month and the company has already started to sell them in France and aims to gradually spread them across Europe.

Barilla, which will start selling Biscocrema in Italy in January, does not as yet have concrete plans for foreign markets.

Shares dip as Trump says trade 'deal' may come only after polls

Sterling at 6-week highs on latest election poll, weak dollar

LONDON, Dec 3, (RTRS): European shares fell back into the red on Tuesday, abandoning earlier efforts to claw their way back from three days of falls, as US President Donald Trump said a trade deal with China might be delayed until after November 2020 elections.

Those comments, made as Trump landed in Britain for a NATO summit, also sent the offshore-traded Chinese yuan to near five-week lows. France, the latest US trade war target, saw shares tumble more than 0.6% to a one-month low.

A pan-European equity index, fell 0.2%, giving up earlier modest gains and extending Monday's 1.6% tumble which was its biggest one-day loss in two months. US stock futures also turned negative, with S&P 500 futures down 0.4%.

Trump's willingness to open new fronts in the trade war despite signs of economic damage has unnerved markets.

MSCI's world equity index is down for the fourth day in a row to one-week lows. There were also hefty losses across Asian bourses earlier in the day.

Investors are waiting for the next developments on the trade front. China has already barred US military ships and aircraft from Hong Kong in response to US support for pro-democracy protesters in the Chinese-ruled territory.

German bond yields meanwhile, slipped off three-week highs but bond prices are likely to stay under pressure amid renewed risks of early elections or a minority government in the biggest eurozone economy.

The safe-haven bid was in evidence on currency markets too, with the yen at a one-week high to the dollar. The euro edged away from a near two-week peak versus the greenback. The dollar index slipped to a two-week low.

US

Wall Street fell more than 1% and the benchmark S&P 500 hit a near one-month low on Tuesday, as comments from President Donald Trump and Commerce Secretary Wilbur Ross stoked fears of a significant delay in resolving a trade dispute with China.

Nine of the 11 major S&P 500 sectors were trading lower, with tech heavyweights Apple Inc and Microsoft Corp weighing the most.

The trade-sensitive Philadelphia Semiconductor index dropped 2.4% to hit an over one-month low.

Tuesday's declines added to the pull-back in the previous session, from record highs hit last week, on hopes that the two sides will hammer out a "phase one" deal soon, and signaled a rough start to the month.

The S&P 500 is still up about 23% this year, helped by interest rate cuts

from the Federal Reserve, even as conflicting headlines on trade have caused some volatility.

At 11:31 am ET, the Dow Jones Industrial Average was down 438.25 points, or 1.58%, at 27,344.79, the S&P 500 was down 36.21 points, or 1.16%, at 3,077.66 and the Nasdaq Composite was down 106.03 points, or 1.24%, at 8,461.96.

Shares of Audentes Therapeutics Inc more than doubled in value after Japan's Astellas Pharma Inc said it would buy the U.S. drugmaker for about \$3 billion in cash.

AK Steel Holding Corp rose 5% after miner Cleveland Cliffs Inc agreed to buy the steel maker for about \$1.1 billion in an all-stock deal. Shares of Cleveland-Cliffs slumped 11.4%.

Declining issues outnumbered advancers for a 2.45-to-1 ratio on the NYSE and a 2.34-to-1 ratio on the Nasdaq.

UK

London's main index slipped for the fourth straight session on Tuesday as US President Donald Trump's decision to restore tariffs on Brazil and Argentina knocked sentiment, while miner Centamin hit a two-month high after a buy-out proposal.

The FTSE 100 gave up 0.4%, as of 0835 GMT, as Washington's tariffs on steel and aluminium imports from key Latin American trading partners rekindled fears of trade tensions and overshadowed encouraging data from China and euro zone economies.

Trump also threatened to slap separate tariffs on France and the European Union, which dragged shares of blue-chip oil majors Shell and BP lower, while miners dropped 1.5%.

The FTSE 250 edged 0.1% lower though Centamin outperformed, surging almost 10% after Canada's Endeavour Mining disclosed a 1.47 billion pound (\$1.89 billion) proposal for the British firm.

Centamin shares were on track for their best day in six months.

The FTSE 100, which has lost 2.4% in nearly a week, lagged the broader European benchmark, with shares of pharma group AstraZeneca and Durex condom maker Reckitt Benckiser slipping roughly 1% each as the sterling strengthened.

The currency gained after a Kantar poll showed Prime Minister Boris Johnson's Conservative Party had widened its lead over the opposition Labour Party slightly over the last week.

The broader tone for Tuesday's trading session, however, was set by Trump's trifecta of tariff warnings.

Europe

European shares wiped gains and ended lower for a fourth session running on Tuesday as sentiment worldwide took a hit after US President Donald Trump signalled delays to reaching a trade deal with China.

London's FTSE, packed with trade-sensitive mining and energy stocks, lost 1.8%, the most in the region, as material shares lost 1.6%. Weaker crude

prices saw oil shares post their biggest one-day drop in a month.

Along with drops in luxury shares LVMH, Kering and Hermes, the Paris index slid 1%.

Reversing session gains, the pan-European stocks index closed down 0.6%, after logging its worst selloff since Oct 2 on Monday.

European shares had rallied over the last three months on hopes of a US-China trade deal, and some calm on the Brexit front.

Asia

Asian shares slipped Tuesday while European indexes were mixed in early trading following a drop on Wall Street amid pessimism over US-China trade tensions.

Japan's benchmark Nikkei 225 lost 0.6% to finish at 23,379.81. Australia's S&P/ASX 200 slid 2.2% to 6,712.30. South Korea's Kospi declined 0.4% to 2,084.07. Hong Kong's Hang Seng fell 0.2% to 26,391.30, while the Shanghai Composite recovered earlier losses to inch up 0.3% to 2,884.70.

Technology companies led a broad slide for stocks on Wall Street on Monday, handing the market a downbeat start to the month after it notched strong gains in November.

Trade tensions flared after China retaliated for US support of protesters in Hong Kong, putting investors in a selling mood. Asian regional markets are generally hurt by declines in trade and the slowdown in the Chinese economy that might cause.

Investors have been hoping that the world's two biggest economies can make progress toward at least staging off new tariffs scheduled for Dec 15 on \$160 billion worth of Chinese products, including smartphones and laptops. Negotiations on ending the longstanding trade war could face a tougher path this month following the flareup over Hong Kong.

Oil

Oil prices slipped on Tuesday after US President Donald Trump said a trade deal with China could be delayed until after the next US presidential election, though losses were capped by an expected deepening of output cuts by OPEC and its allies.

Brent futures fell 42 cents to \$60.50 a barrel by 1448 GMT. US West Texas Intermediate (WTI) crude was down 25 cents at \$55.71.

The Organization of the Petroleum Exporting Countries (OPEC) and its allies, known as OPEC+, are discussing a plan to increase an existing supply cut of 1.2 million barrels per day (bpd) by a further 400,000 bpd and extend the pact until June, two sources familiar with the matter said.

Saudi Arabia is pushing the plan to deliver a positive surprise to the market before the initial public offering of state-owned Saudi Aramco, the sources said.

Russian Energy Minister Alexander Novak on Tuesday said he expected this week's meeting to be constructive but added that Moscow had yet to finalise its

position. Vagit Alekperov, CEO of Russia's second-biggest oil producer, Lukoil, said it would not be expedient to deepen production cuts in the winter, especially for Russia.

Goldman Sachs on Monday said that OPEC+ is likely to extend output curbs through June but expects the "uneventful" three-month extension to provide little support to prices.

The factors behind this view included a large increase in production from legacy non-OPEC projects and an as yet uncertain outlook for demand growth, it added. The investment bank said it expects Brent to trade around \$60 a barrel in 2020 in the absence of geopolitical shocks.

Currencies

The pound climbed to its highest levels in six weeks on Tuesday against the backdrop of broad-based dollar weakness and after a new poll showed the ruling Conservative Party widening its lead before next week's election.

Prime Minister Boris Johnson's Conservatives led the main opposition Labour party by 12 points, a survey by Kantar showed on Tuesday, before a parliamentary election on Dec 12.

Analysts said the news bought some relief to currency markets, after recent polls pointed to an increased chance of a hung parliament, where no one party has an absolute majority.

"The fresh poll result is pushing the pound higher with the dollar's weakness also playing a part," said Lee Hardman, a currency strategist at MUFG in London.

Against the dollar, the pound rose as much as 0.5% to \$1.3010, its highest level in six weeks and within a whisker of reaching its highest since May.

Sterling meanwhile gained 0.4% versus the euro to 85.13 pence.

Sterling has gained more than 6% from a Sept. 3 low as markets cut the risks of a no-deal Brexit.

But gains have stalled in the past month as election uncertainty has risen, including the prospect of victory for Labour, which has set out plans for tax increases for the wealthy and some nationalisations.

While Johnson wants to implement an exit deal he has already agreed with Brussels and leave the European Union in January, Labour is promising to negotiate a new exit deal and put it to the public at a second referendum next year, another potential source of uncertainty.

"Over the last week or two there has been a modest increase of short positions, so a bit of good news means a bigger move in the currency," said Jane Foley, senior currency strategist at Rabobank.

Data showing the IHS Market November construction purchasing managers' index, a gauge of business activity, rose to 45.3 in November from 44.2 in October had little immediate market impact.

Still, analysts said economic data could take on a more important role for the sterling outlook if Brexit uncertainty fades after the election.

Unilever names Conny Braams as new digital and marketing officer

LONDON, Dec 3, (RTRS): Consumer goods giant Unilever Plc on Tuesday appointed Conny Braams to the new post of chief digital and marketing officer, expanding the scope of a role previously held by advertising industry veteran Keith Weed.

Weed retired in May after leading Unilever's marketing and communications department for nearly a decade, managing the world's second-biggest ad budget after Procter & Gamble's.

He has also been credited for highlighting issues such as ad fraud and the way metrics are measured by tech giants like Facebook.

Unilever Chief Executive Alan Jope had previously said the company would not hire a direct replacement for Weed, and instead would tack on additional responsibilities to the role of chief marketing officer, a job he described as "CMO++".

Braams, currently executive vice president of middle Europe, joined

Unilever in 1990, and has held a variety of marketing and general management roles across key European and Asian markets, Unilever said. She will begin her new role on Jan 1.

"As our new Chief Digital & Marketing Officer, her experience will be critical to the transformation of Unilever into a future-fit, fully digitised organisation," Jope, himself a longtime marketer, said.

Braams is also likely to be tasked with executing Jope's vision of building what he calls "brands with purpose", which involves aligning brands with specific social concerns and issues.

The Dove soap and Ben & Jerry's ice-cream maker also named Fabian Garcia, former chief executive officer of Revlon, as president of Unilever North America, its biggest market.

Garcia replaces Amanda Sourry, who will retire to "pursue new opportunities" after 30 years with the company, Unilever said.

exchange rates - Dec 03

	US dollar			Sterling pound			Euro			Japanese yen			Swiss franc			Canadian dollar			Swedish krona			Saudi riyal			UAE dirham			Bahraini dinar			Omani riyal				
	Cash	Draft	Transfer	Cash	Draft	Transfer	Cash	Draft	Transfer	Cash	Draft	Transfer	Cash	Draft	Transfer	Cash	Draft	Transfer	Cash	Draft	Transfer	Cash	Draft	Transfer	Cash	Draft	Transfer	Cash	Draft	Transfer	Cash	Draft	Transfer	Cash	Draft
BEK	Buy	.302500	.302000	.302000	384840	385983	385983	.329223	.331322	.331322	.002701	.002701	.002701	.300006	.301006	.301006	.223274	.221273	.221273	.027859	.027859	.027859	.080073	.080573	.080573	.082229	.081511	.081511	.801144	.814434	.814434	.785389	.779161	.779161	
Buy	.305550	.304350	.304350	403384	396383	396383	.343023	.343022	.343022	.002881	.002881	.002881	.311006	.308006	.308006	.232274	.231273	.231273	.032859	.032859	.032859	.081373	.081213	.081213	.083057	.082460	.082460	.809198	.809559	.809559	.793285	.790111	.790111		
Muzaini	Buy	296650	296650	296650	-	-	.344220	.344220	-	-	-	-	.309520	.309520	-	.232140	.232140	-	-	-	-	.081470	.081470	-	.082550	.082550	-	.808020	.808020	-	.790383	.790383	-		
Commercial Bank	Buy	304100	304100	-	-	-	.341050	.341050	-	-	.002783	.002783	.304000	.306227	.306227	.227000	.227773	.227773	-	-	-	.031798	.031798	.080542	.080813	.080813	.082231	.082507	.082507	.801146	.803986	.803986	.785392	.787108	.787108
Buy	297000	302941	302941	391000	392941	392941	.335000	.335517	.335517	.002802	.002802	.310000	.308349	.308349	.232000	.229352	.229352	.032019	.032019	-	-	.032019	.032019	.081352	.081373	.081373	.083057	.083079	.083079	.801198	.809559	.809559	.793285	.792564	.792564
Buy	305300	305050	305050	397000	395665	395665	.341000	.337843	.337843	.002772	.002772	-	.304398	.304398	-	.226484	.226484	-	-	-	.031705	.031705	.080647	.080647	-	.082290	.082290	-	.799957	.799957	-	.785492	.785492	-	
Buy	302950	302950	-	390835	390835	-	.333560	.333560	-	.002814	.002814	.304000	.310537	.310537	.226484	.226484	.226484	.032062	.032062	-	-	.081757	.081757	.080542	.080813	.080813	.082231	.082507	.082507	.801198	.809559	.809559	.793285	.792564	.792564
Buy	302950	302950	-	390835	390835	-	.333560	.333560	-	.002771	.002771	.304000	.310537	.310537	.226484	.226484	.226484	.032062	.032062	-	-	.081757	.081757	.080542	.080813	.080813	.082231	.082507	.082507	.801198	.809559	.809559	.793285	.792564	.792564
Buy	302950	302950	-	390835	390835	-	.333560	.333560	-	.002870	.002870	.304000	.310537	.310537	.226484	.226484	.226484	.032062	.032062	-	-	.081757	.081757	.080542	.080813	.080813	.082231	.082507	.082507	.801198	.809559	.809559	.793285	.792564	.792564
Buy	302950	302950	-	390835	390835	-	.333560	.333560	-	.002870	.002870	.304000	.310537	.310537	.226484	.226484	.226484	.032062	.032062	-	-	.081757	.081757	.080542	.080813	.080813	.082231	.082507	.082507	.801198	.809559	.809559	.793285	.792564	.792564
Buy	302950	302950	-	390835	390835	-	.333560	.333560	-	.002870	.002870	.304000	.310537	.310537	.226484	.226484	.226484	.032062	.032062	-	-	.081757	.081757	.080542	.080813	.080813	.082231	.082507	.082507	.801198	.809559	.809559	.793285	.792564	.792564
Buy	302950	302950	-	390835	390835	-	.333560	.333560	-	.002870	.002870	.304000	.310537	.310537	.226484	.226484	.226484	.032062	.032062	-	-	.081757	.081757	.080542	.080813	.080813	.082231	.082507	.082507	.801198	.809559	.809559	.793285	.792564	.792564
Buy	302950	302950	-	390835	390835	-	.333560	.333560	-	.002870	.002870	.304000	.310537	.310537	.226484	.226484	.226484	.032062	.032062	-	-	.081757	.081757	.080542	.080813	.080813	.082231	.082507	.082507						