

In this file photo, people walk by the Panasonic booth during CES International in Las Vegas. Japanese electronics manufacturer Panasonic Corp is abandoning the semiconductor business with the sale of its last business in that sector to a Taiwanese company. (AP)



Panasonic leaves semiconductor business with Taiwan sale

Japanese electronics manufacturer Panasonic Corp is abandoning the semiconductor business with the sale of its last business in that sector to a Taiwanese company. Panasonic said Thursday it was transferring the semiconductor business operated by Panasonic Semiconductor Solutions Co to Nuvoton Technology Corp. In recent years, Panasonic has sold its semiconductor plants in Singapore, Indonesia and Malaysia. Terms were not disclosed for Thursday's move, set to be completed next year. Panasonic's chipmaking

has been struggling in recent years amid competition from cheaper rivals in South Korea and the rest of Asia. Japanese media reports said the recent US-China trade war, which has slowed sales in China, added to those pressures. The move highlights Panasonic and other Japanese electronics makers' efforts to focus on more lucrative businesses. "The competitive environment surrounding the semiconductor business has become extremely severe due to aggressive expansion of competitors, huge invest-

ments in the focused area and industry reorganization," Panasonic said in a statement. The company said it believed Nuvoton appreciates the strengths of Panasonic's technology and will steer the business to stable growth. Panasonic has also transferred another part of its semiconductor business to Japanese rival Rohm Co, scheduled to be completed this year. Some Japanese companies remain in the business, including Toshiba Corp, Fujitsu and Sony Corp. (AP)

Luxury brands likely to shut some HK stores permanently – Bain

HK loses lustre for luxury brands as mainland China shines

Warburg Pincus to raise up to \$1.5 bn

HONG KONG, Nov 28, (RTRS): Private equity firm Warburg Pincus LLC is looking to raise up to \$1.5 billion for its first fund targeting deals in India, two people familiar with the matter told Reuters, betting on a surge in investment opportunities in Asia's third-largest economy.

Warburg plans finish fundraising on its India-focused fund, which will target industrial sectors such as financial, manufacturing and consumer, by the first half of next year, said one of the people.

Launches of India-focused private equity funds are rare, and big global buyout firms such as KKR & Co Inc, Bain Capital and Blackstone Group Inc typically invest in a country mainly from their regional funds.

Warburg declined to comment. The sources did not want to be identified as the firm's plans are not public yet.

Private equity investments are expected to pick up in India as some companies look to sell shares to fund growth, while some family-owned firms explore selling controlling stakes to pay off debt, bankers said.

Lower

Lower valuations, a rapidly growing middle class and reforms such as bankruptcy resolution rules are also enticing global private equity firms to invest in India.

Private equity-backed deals in India have risen to a record \$16.8 billion so far this year, rising up from the previous high of \$12.4 billion last year, according to data compiled by Refinitiv.

The news of Warburg's India fundraising plan comes as rival KKR is looking to raise a record \$15 billion in 2020 for its latest Asia-focused buyout fund, which will include India investments.

Warburg has not finalised the size or launch timing of the fund, which depend on market conditions, said one of the people.

Warburg has a 21-person investment team in Mumbai, according to its website. It was Indian telecom company Bharti Airtel's first marquee investor in the early 1990s and has recently invested in its digital TV and African arms.

The private equity firm also holds stakes in local insurer IndiaFirst, retail real estate platform Virgo Retail Ventures, and education financing provider Avance Financial Services, according to its website.

In June, the US-based firm closed a \$4.25 billion private equity fund focusing on Chinese and Southeast Asian investments after launching the exercise in January with a target to raise \$3.5 billion.

That fund, China-Southeast Asia II, will focus on investing across consumer and services, healthcare, real estate, financial services, and technology, media and telecommunications, Warburg had said in June.

Japan's retail sales tumble the most since 2015 in Oct

Post-tax hike consumption likely weighed by poor weather

TOKYO, Nov 28, (RTRS): Japan's retail sales tumbled at their fastest pace in more than 4-1/2 years in October as a sales tax hike prompted consumers to cut spending, raising a red flag over the strength of domestic demand.

The Japanese government increased the nationwide sales tax to 10% from 8% on Oct 1, in a bid to fix the industrial world's heaviest public debt burden, which is more than twice the size of the country's gross domestic product.

However, some analysts have warned the tax hike, previously postponed twice, could leave the economy without a growth driver amid a slump in exports and production and as other factors drag on the consumer sector.

Pulled

Retail sales fell 7.1% in October from a year earlier, pulled down by weak demand for big ticket items such as cars and household appliances as well as clothing, trade ministry data showed on Thursday, with department stores hit particularly hard.

The drop was the biggest since a 9.7% fall in March 2015 and worse than a 4.4% decline predicted by economists in a Reuters poll.

"Regardless of today's outcome, consumption has been of a weak tone, and consumer sentiment is getting worse," said Taro Saito, executive research fellow at NLI Research Institute.

"Incomes haven't been rising originally, so consumption hasn't been growing since before the sales tax hike."

The slump was also sharper than the declines reported after the previous two sales tax hikes, in 1997 and 2014, suggesting other factors are dragging on consumption.

"Retail sales fell more sharply in October than after previous sales tax hikes," said Tom Learmouth, Japan economist at Capital Economics.

"The fall in sales was slightly



In this file photo, people pass a store window for Louis Vuitton in New York. French luxury group LVMH has agreed to buy iconic New York jeweler Tiffany & Co for \$16.2 billion, adding a famed star to its portfolio that already boasts Louis Vuitton, Christian Dior and Bulgari. (AP)

larger than the 13.7% m/m plunge which followed both the 1997 and 2014 sales tax hikes," he wrote in a note. Sales fell 4.3% in April 2014, the month of the previous tax hike.

Seasonally-adjusted retail sales dropped 14.4% month-on-month in October, the data showed.

The negative reading comes after separate data this month showed Japan's economy nearly stalled in the third quarter, while exports in October shrank at their fastest pace in three years.

The gloomy conditions have led to calls for the government to compile a big spending package to keep the country's fragile economic recovery on track.

The 2014 previous tax hike to 8% from 5% hit the broader economy hard as households tightened their purse strings after front-loading purchases before the hike.

Policymakers this time around

do not expect the October tax hike to trigger such a big swing in demand, given the smaller hike and various measures to help offset the hit to spending.

However, analysts said retail sales in October were also hit by poor weather, after a huge typhoon ripped through central and eastern Japan, forcing stores and restaurants to temporarily close.

Hike

Others also noted more structural pressures faced by retailers even before the sales tax hike, such as the prolonged decline in real wages.

Data earlier this month showed inflation-adjusted wages rose 0.6% in the year to September, their first increase since the end of last year.

All those factors pose challenges to a government seeking to shake consumers out of a long-

entrenched deflationary mindset, which has weighed on prices, hurt company profits and established a prolonged regime of ultra-easy monetary policy.

Adding to these woes is the risk retailers will continue to cut prices to offset the hit from the tax hike, while many stores are also offering discounts for cashless payments.

The government has introduced a rebate programme for cashless transactions designed to both soften the tax hike blow to retailers and encourage Japanese consumers to use electronic payments instead of cash.

Other retailers are simply reducing prices to lure customers.

"This could spark stiff price competition and induce deflation. Small firms that lack competitiveness will be forced out of business," Yukio Kawano, the head of Japan Supermarket Association, told Reuters.

PARIS/MILAN, Nov 28, (RTRS): Luxury brands are likely to retreat from Hong Kong as the city is wracked by protests at a time when wealthy Chinese shoppers are staying on the mainland, consultancy Bain said on Thursday, highlighting a shift that is reshaping the global industry.

Sales growth for companies making goods like jewellery, high-end fashion or handbags would come in at the low end of its expectations in 2019 due to the Hong Kong turmoil, according to Bain, which produces closely-followed forecasts for the sector.

Global luxury goods sales were on course to expand to 281 billion euros (\$310 billion) in 2019, its study showed, growing 4% at constant currencies, at the bottom end of its previous 4% to 6% forecast and down from 6% growth last year.

The Hong Kong pro-democracy protests weighed on third-quarter sales growth at firms from Cartier owner Richemont to Germany's Hugo Boss, as the flow of visitors dwindled and retailers closed shop temporarily.

Luxury brands, which have around 1,000 stores in the Asian shopping hub, are likely to start shutting some permanently, Bain said.

Sustain

"Local customers cannot sustain the 1,000 stores in the mid-term," said Federica Levato, a partner at Bain in Milan.

Luxury sales in Hong Kong, which hit a peak of 10 billion euros in 2013, are likely to drop to 6 billion in 2019, Bain said. This would mean the city that once accounted for around 5% of global sales is now closer to 2%.

And while the demonstrations might be a temporary disruption, a more structural shift is at play in the shopping habits of well-off customers from the Chinese mainland whose Hong Kong spending have long been buttressed sector sales.

Despite China's economic slowdown, shoppers are continuing to spend heavily on luxury – but they are increasingly staying at home because of a weaker yuan currency that has blunted their overseas firepower. Meanwhile, Beijing has cut import duties and sales tax, eroding the competitive price advantage of foreign destinations like Hong Kong, London and New York.

Chinese shoppers now making up 35% of all industry sales – and they are on course to account for 90% of growth in the market this year, Bain said.

"They are willing to go on credit to buy luxury goods," said Levato. "For the moment we don't see a true economic risk linked to China."

In another significant trend for global luxury, Bain said jewellery sales were on track to grow by 9% at constant currencies in 2019, making this one of the fastest-growing pockets of the industry – and highlighting a major driver for LVMH's \$16.2 billion takeover of Tiffany.

investment funds

Funds	Fund Manager	Valuation	Valued date	Currency	Net Asset Value (NAV)	Prev NAV	Prev NAV Dated
NBK CAPITAL							
Money Market Funds	Watani KD Money Market Fund II	Weekly	Nov 26, 2019	KD	1.082	1.081	Nov 12, 2019
	Watani USD Money Market Fund	Weekly	Nov 26, 2019	USD	10.679	10.672	Nov 12, 2019
	Watani KD Money Market Fund (Acc to Islamic Shariah principles) II	Weekly	Nov 26, 2019	KD	1.080	1.079	Nov 12, 2019
	Watani USD Money Market Fund (Acc to Islamic Shariah principles) II	Weekly	Nov 26, 2019	USD	10.467	10.467	Nov 12, 2019
	NBK Kuwait Equity Fund	Weekly	Nov 21, 2019	KD	0.812	0.795	Nov 07, 2019
	Gulf Equity Investment Fund	Weekly	Nov 21, 2019	USD	12.882	12.558	Nov 07, 2019
	Regional Bond and Sukuk Investment Fund	Weekly	Nov 21, 2019	USD	11.437	11.371	Nov 07, 2019
Gulf Bank							
	Al Basha'er GCC Equity Fund	Monthly	June 30, 2019	USD	7.907	7.701	May 31, 2019
	Coast Fund	Monthly	Aug 31, 2019	KD	0.826	0.817	June 30, 2019
	Markaz Real Estate Fund	Bi-annual	Sept 30, 2019	KD	1.339	1.341	Aug 29, 2019
Al Ahli Bank							
	Al Ahli Gulf Fund	Monthly	Oct 31, 2019	KD	1.022	1.028	Sept 30, 2019
	Al Ahli Kuwaiti Fund	Monthly	Oct 31, 2019	KD	0.878	0.879	Sept 30, 2019
	Ahli International Multi-Asset Holding Fund	Monthly	Oct 31, 2019	KD	10.804	10.727	Sept 30, 2019
Boubyan Bank							
	Boubyan KD Money Market Fund II	Weekly	Oct 22, 2019	KD	1.059	1.059	Oct 15, 2019
Boubyan Capital Investment Co.							
	Boubyan USD Liquidity Fund	Weekly	Oct 22, 2019	USD	10.662	10.658	Oct 15, 2019
	Boubyan Multi-Asset Holding Fund	Monthly	Oct 31, 2019	USD	11.719	11.643	Sept 30, 2019
Kuwait Investment Co.							
Local Fund	Al Raed Fund	Weekly	Nov 14, 2019	KD	1.097	1.000	Sept 30, 2019
	Kuwait Investment Fund	Weekly	Oct 10, 2019	KD	0.847	0.873	Sept 30, 2019
	Al Hilal Fund	Monthly	Nov 18, 2019	KD	0.883	0.881	Sept 30, 2019
	Al Atheer Fund	Weekly	Oct 31, 2019	KD	1.169	1.174	Sept 30, 2019
International	Diversified Fund	Weekly	Oct 31, 2019	USD	21.180	20.600	Aug 30, 2019
National Investment Co. (NIC)							
	Al-Wataniya Fund	Monthly	Oct 31, 2019	KD	0.636	0.632	Sept 30, 2019
	MIDAF	Monthly	Oct 31, 2019	KD	0.375	0.372	Sept 30, 2019
	Maward Fund	Monthly	Oct 31, 2019	KD	0.459	0.478	Sept 30, 2019
	Zajil Fund	Monthly	Oct 31, 2019	KD	0.767	0.792	Sept 30, 2019
	Al Mada Investment Fund	Weekly	Oct 31, 2019	USD	0.822	0.843	Sept 30, 2019
Kuwait Financial Centre (Markaz)							
	Mumtaz Fund	Weekly	Oct 10, 2019	KD	4.985	4.948	Sept 30, 2019
	MIDAF	Weekly	Oct 10, 2019	KD	3.786	3.760	Sept 30, 2019
	Islamic Fund	Weekly	Oct 10, 2019	KD	1.831	1.814	Sept 30, 2019
	FORSA Financial Fund	Monthly	Aug 31, 2019	KD	1.268	1.318	July 31, 2019

Funds	Fund Manager	Valuation	Valued date	Currency	Net Asset Value (NAV)	Prev NAV	Prev NAV Dated	
Kuwait & Middle East Financial & Inv. Co.								
Real Estate Fund	Kuwait Financial Center	Monthly	Oct 31, 2019	KD	1.338	1.339	Sept 30, 2019	
Al Rouyah Fund	KMEFIC	Monthly	Oct 31, 2019	KD	1.389	1.389	Sept 30, 2019	
Global Investment House								
Index Funds	Global Premier Market Index Fund	Weekly	Oct 31, 2019	KD	1.643	1.647	Sept 26, 2019	
Equity Funds	Al-Mamoun Fund A	Global	Weekly	Oct 31, 2019	KD	0.823	0.806	Oct 03, 2019
	Al-Mamoun Fund B	Global	Weekly	Oct 31, 2019	KD	0.823	0.806	Oct 03, 2019
	GCC Large Cap Fund	Global	Weekly	Nov 05, 2019	USD	169.560	171.670	Oct 01, 2019
	Global Saudi Equity Fund	Global	Biweekly	Nov 05, 2019	SAR	265.200	269.256	Oct 06, 2019
	EPADI Fund	Global	Weekly	Nov 05, 2019	USD	91.800	94.486	Sept 24, 2019
Sectoral Funds	Global GCC Islamic Fund	Global	Weekly	Nov 05, 2019	USD	109.130	110.736	Oct 01, 2019
Islamic Funds	Al-Durra Islamic Fund	Global	Weekly	Oct 31, 2019	KD	1.492	1.446	Oct 03, 2019
Kuwait Finance & Investment Co (KFIC)								
Al Wasim Fund	KFIC	Weekly	Oct 06, 2019	KD	0.512	0.519	Oct 09, 2019	
Al Basha'er GCC Equity Fund	KFIC	Monthly	June 30, 2019	USD	7.907	7.701	May 31, 2019	
KAMCO								
KAMCO Investment Fund	KAMCO	Monthly	Sept 30, 2019	KD	1.392	1.515	July 31, 2019	
KAMCO Real Estate Yield Fund	KAMCO	Monthly	Oct 31, 2019	USD	8.910	8.840	July 31, 2019	
Wafra International Investment Co.								
Wafra Equity Fund	Wafra Co.	Monthly	Oct 31, 2019	KD	1.030	0.995	Sept 30, 2019	
Wafra Bond Fund	Wafra Co.	Monthly	Oct 31, 2019	KD	1.045	1.042	Sept 30, 2019	
Masaref Investment Fund	Wafra Co.	Weekly	Oct 31, 2019	KD	1.196	1.221	Sept 30, 2019	
Fajir Islamic Fund	Wafra Co.	Monthly	Oct 31, 2019	KD	0.838	0.826	Sept 30, 2019	
Al-Tharwa Investment Co.								
Tharwa Investment Fund	Tharwa Investment Co	Weekly	Oct 31, 2019	KD	1.021	1.024	Oct 03, 2019	
Tharwa Islamic Fund	Tharwa Investment Co	Weekly	Oct 31, 2019	KD	0.685	0.687	Oct 03, 2019	
Bank Al-Bilad								
Al Seef Fund	Bank Al-Bilad	Daily	Nov 10, 2019	KD	0.501	0.497	Nov 03, 2019	
Commercial International Bank								
CIB Money Market Fund (Oscul)	CI Asset Management	Weekly	Nov 27, 2019	EGP	408.460	406.720	Nov 14, 2019	
CIB II Equity (Istithmar)	CI Asset Management	Weekly	Nov 27, 2019	EGP	195.410	203.170	Nov 14, 2019	
CIB and Faisal Islamic Al Aman	CI Asset Management	Weekly	Nov 27, 2019	EGP	102.940	107.350	Nov 14, 2019	
Hemaya	CI Asset Management	Weekly	Nov 03, 2019	EGP	237.820	236.100	Oct 01, 2019	
Thabat	CI Asset Management	Weekly	Nov 27, 2019	EGP	277.090	274.540	Nov 14, 2019	
Takamol	CI Asset Management	Weekly	Nov 27, 2019	EGP	186.370	190.760	Nov 14, 2019	
Misr El Mostakbel	CI Asset Management	Weekly	Nov 24, 2019	EGP	23.510	24.760	Nov 11, 2019	
KFH Capital								
KFHC GCC Equities Fund	KFH Capital Investment Co	Daily	Apr 30, 2019	KD	0.824	0.797	Mar 31, 2019	
KFH Capital Investment Co	KFH Capital Investment Co	Daily	Nov 30, 2018	KD	0.407	0.406	Oct 31, 2018	