

Google buys \$450m stake in ADT to give Nest a new perch

Google is paying \$450 million for a nearly 7% stake in longtime home and business security provider ADT Inc., a deal that will open new opportunities for one of the internet's most powerful companies to extend the reach of its Nest cameras and voice-activated voice assistant. As part of the partnership announced, ADT will use Nest's internet-connected cameras, as well as another device called the Nest Home Hub that comes with an internet-connected camera, as part of its customers' security systems. Both the Nest cameras and Home Hub can be operated through voice commands processed by the Google digital assistant that competes against Amazon's Alexa and Amazon's Siri in a key area of artificial intelligence.

The alliance could serve as a springboard for a home management product line that Google has been developing since shelling out \$3.2 billion in 2014 to buy Nest, a startup launched by Tony Fadell, who played an instrumental role in creating the iPhone while he was at Apple. ADT, whose roots date back to 1874 when it was formed as American District Telegraph, has about 6.5 million customers. "Together, we aim to create the next generation of the helpful home - based on new security solutions that will better protect and connect people to their homes and families," Rishi Chandra, Nest's general manager, wrote in a blog post. Nest initially focused on sleek thermostats controlled through the internet but has been making inroads in home security cameras in recent years. This despite recurring concerns about whether its devices can be trusted to preserve privacy because Google makes most of its money learning about people's interests through its ubiquitous search engine and then selling ads based on that knowledge. Google has steadfastly promised to keep its Nest devices separate from its advertising operation and other services. (AP)

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An image provided by Google shows the Pixel 4A budget smartphone, which has the same high-quality camera and several other features available in fancier Pixel models. (AP)

Market Movements

10-08-2020

	Change	Closing pts
↑ AUSTRALIA - All Ordinaries	+102.15	6,247.07
↑ CHINA - Shanghai SE	+25.22	3,379.25
↑ S. KOREA - KRX 100	+69.12	5,128.36
↑ PHILIPPINES - PSEI	+84.90	5,930.92
↑ INDIA - Sensex	+141.51	38,182.08

	Change	Closing pts
↓ JAPAN - Nikkei	-88.21	22,329.94
↓ HONG KONG - Hang Seng	-154.19	24,377.43
↓ PAKISTAN - KSE 100	-114.93	39,914.76

Business

Chank plans to release more data that will show a pickup in loan activity

Fed official defends slow start to Main Street loan program

For COVID pandemic jobless, the only real certainty is uncertainty

Economic upheaval puts millions of lives into disarray

CHICAGO, Aug 10, (AP): For three decades, Kelly Flint flourished as a corporate travel agent, sending everyone from business titans to oil riggers around the planet. Then came the worst pandemic in a century, leaving her jobless and marooned in an uncertain economy.

Furloughed since March, Flint has dipped into her retirement account to pay her bills, frustrated that her \$600 weekly emergency federal aid payments have expired. She yearns, too, for an end to the twin disasters that now dominate her life: recession and pandemic.

"I don't deal well with the unknowns," she says. "I never have." Across America are legions of Kelly Flints, women and men who don't know when they'll receive another paycheck - or if.

The coronavirus outbreak and resulting economic upheaval have thrown millions of lives into disarray. Industries have collapsed, businesses closed, jobs disappeared. Compounding the misery is a question no one can answer: When will this all be over?

In recent congressional testimony, Federal Reserve Chairman Jerome Powell repeated his earlier warning: The strength of any recovery will rely on the nation's ability to contain the virus. The outlook for the U.S. economy, he said, is "extraordinarily uncertain."

Brett Lipshutz can't help but think he was a victim of bad timing.

Last year, after firing of being an educator, he gave up a job teaching French in a private school in suburban Milwaukee. He was recruited to become a bilingual software trainer, traveling to Canada three weeks a month. In the spring, he rushed back to the U.S. as the border was about to close.

Then suddenly, at 46, Lipshutz was out of work - something entirely new for him. He filed for unemployment and joined a support group of jobless workers in Wisconsin. He began figuring out how much to dip into savings that had taken years to amass.

"Not having enough money can paralyze you," he says. It's a lesson he learned at a young age.

"I grew up with a single mom on welfare in the '80s," Lipshutz says. "And I know what it's like to collect government cheese and free lunch and to live paycheck to paycheck and feel that stress of financial instability. It brings back trauma from that time of, 'Oh, my God, am I going to have to live like that again?'"

Lipshutz's second software project was canceled because of budget cuts. He's now starting a tofu business with friends. He also expects to be back in the classroom this fall, teaching French to Milwaukee public high school students.

Lipshutz has become more comfortable, too, accepting the limitations of this chaotic environment.

"There are certain things you can't control, and you have to let it go," he says. "I can't control the pandemic. I can't control the job market."

"In the back of my mind," he adds, "there's still a tiny drawer of anxiety and worry. But I'm starting to tell myself, 'Listen, you're going to be fine.'"

For Morgan Githmark, the pandemic has been a health risk and a job destroyer.

Last March, she had to quit her job at a marketing company in North Carolina because face-to-face encounters with customers at big-box stores were potentially dangerous. A diabetic, Githmark, 24, has an increased chance of becoming seriously ill if she contracts the coronavirus.

"I feel like I don't have very much of a purpose now," she says. She feels as if she's "floating around in life" as she searches for work, with her father helping retool her resume. She knows her job possibilities are limited because she can't be exposed to large groups of people. Githmark plans to enroll in grad



In this file photo, traders are seen on the floor of Bursa Kuwait. Shamal Az-Zour Al-Oula announced it got approval by Bursa Kuwait to enlist its shares in the stock market as of Aug 16.

Az-Zour Co to be enlisted in Kuwaiti bourse

Shamal Az-Zour Al-Oula company announced on Saturday it got approval by Bursa Kuwait to enlist its shares in the stock market as of Aug 16.

The company said in a statement it has become the first energy and water desalination company - as well as being a partnership entity between the private and public sectors - to be enlisted in the bourse.

Chairman Husam Al-Roumi said in a statement the move would serve the purpose of di-

versification of investments in the stock market.

Meanwhile, Faisal Al-Hamad, the CEO of the Finance and Investment Company (a consultancy for enlisting in the bourse), said in the statement that Az-Zour company enterprise has given the chance for citizens to invest in the infrastructure.

He indicated that the enlistment was complementary to distribution of 50 percent of the company shares to the Kuwaiti citizens, through a public subscription in Q4 2019 - luring up to

127,000 citizens.

The remaining shares, 50 percent, belong to the State and the private sector.

The company was founded in 2016 to build power and water desalination plants on the basis of partnership between the public and private sectors.

It secures desalinated water for the population in Kuwait via a network operated by the ministry of electricity and water according to a deal valid for 40 years. (KUNA)

Oil companies and govts running short of cash

Yellow gold overtakes black gold

By Kamel Al-Harami
Independent Oil Analyst

THE gold price is currently going higher and higher with no sign of abating anytime soon. As long as the world fails to find a cure for COVID-19, the global economy and trading activities will remain static and not move forward under the current state of affairs. Also, the unemployment rate is hitting a global record high, and governments are forced to print paper monies without any tangible backups of any sort.

In the past, it used to be solid 24-carat gold that served as a safe haven for the rich and the poor at the same time. Currently, we all can see that gold is standing firm against currencies that are going down in value, leading eventually to high inflation. Most of the time, gold does not even cover the inflation rate but this time, gold has proved itself in securing a high value with its price increasing by more than 30 percent in less than four months.

Oil prices hit the bottom during the first quarter of this year, falling to less than \$20 per barrel, while on speculative bases, it went below zero. This resulted in oil companies and oil producers to run short of

cash and opt for borrowing. Also, oil companies ended up reducing their dividends by half, coupled with selling out their assets, reducing their staff and slowly shifting away from oil.

Shortage of cash for oil companies is forcing us to look around and think loudly as to whether the oil countries should move away from black gold towards more alternatives to oil. The time has come, as most oil producing countries, if not all, are in short of cash. Also, countries dependent on oil exporting countries are seeking financial help and assistance.

Hard times are certainly not far away. Few of the oil producing countries can depend on their overseas funds and wealth. This of course will not last long if countries do not curtail the expenses and cut down on foreign manpower. This long-term vision must take place within the coming five years, particularly in the Arabian Gulf countries.

Time has come for us to organize ourselves and concentrate on our economy away from oil. Easy solutions are not available and we have to simply cut down on our expenditures. We must depend on ourselves and make sure new graduates choose employment in sectors other than the government sector.

Of course, gold owners and investors are cashing in and selling their gold at today's high value. However, they are faced with one question - Where to invest this gold cash? This is the question that will remain unanswered - selling gold against papers and unknowns.

Do they switch to oil? Will it hit the high value levels of \$100 and above? When and how? The oil companies are minimizing investments in black oil, while oil is still cashable and goes up and down. It might go up higher than the current level of \$ 43, but not beyond \$60 in the coming few years. We must balance our accounts and our expenses on both short and long terms, for sure. Gold will certainly represent 30 percent of our overall investments.

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Al-Harami

whole lot I can really do about it."

Deanna Kouskoulas isn't one to point fingers. She knows many others who've looked at the staggering numbers of unemployed and don't feel the same way. "I see a lot of people blaming com-

panies, saying, 'How dare they lay off their employees!'" she says. "But those decisions have to be made."

Kouskoulas, 30, was laid off in April, about six months after being hired for a copywriting-marketing job at a suburban Detroit construction company. She's now interviewing for jobs, pre-

paring for the post-pandemic era. She spends part of every morning sharpening and expanding her skills, studying graphic design on YouTube, among other things. "So I can come out strong when things do go back to normal." And she speaks regularly with a CEO she once worked for who acts as her mentor.

WASHINGTON, Aug 10, (AP): A top Federal Reserve official defended the central bank's efforts to launch a Main Street lending program and said the small number of loans approved so far would likely expand by a significant amount in coming months, especially if the pandemic worsens.

While the Fed reported this week that the program has only made eight loans so far totaling \$76.9 million, Eric Rosengren, president of the Federal Reserve's regional bank in Boston, told a congressional oversight panel on Friday that more up to date information showed that 54 loans were being considered totaling a potential \$530 million.

Still, even the larger figures fall far short of the up to \$600 billion the Fed has said it is prepared to make available to cash-strapped mid-size companies.

Members of the Congressional Oversight Commission pressed Rosengren, who is in charge of the Main Street program which is being operated by the Boston Fed, to explain why it has taken so long to make the program operational and why so few businesses have applied for assistance.

"While all of this money has been sitting on the sidelines ... millions of Americans have lost their jobs," said Bharat Ramamurti, a commission member and former aide to Sen. Elizabeth Warren. "By any measure, the Main Street program has been a failure."

Rosengren said that the Fed lending, which is done through buying 95% of a bank loan to a particular business, is much more complex than the Fed's usual support which involves buying securities in open trading in the bond market.

"It takes some time for the banks and the borrowers to get familiar with the program," Rosengren said, noting that the program had undergone a number of modifications based on public comments with the aim of making it more attractive to borrowers.

Rep. French Hill, R-Arkansas and also a commission member, said he was concerned about the reluctance of many banks to participate and wondered if the program terms should allow more of a focus on the assets a potential borrower as opposed to the revenue stream of the business.

Rosengren said it was already risky to be making loans in the "middle of a pandemic" and he said if the pandemic flares up again and the economy doesn't do well, then significant losses could occur.

The Treasury Department is providing a backstop of \$75 billion to cover initial losses in the program. Banks make the actual loans but the Fed will buy 95% of the loan from the bank to minimize the risks to banks.

Ramamurti questioned Rosengren about reports that the modifications that had been made included changes that the Trump administration had sought to help the oil and gas industry including an increase in the maximum loan amount.

Rosengren said the internal discussions on changes to the program did not involve specific industries but rather changes that would improve the overall functioning of the program. "This is a broad-based program and it has been a broad-based program from the start," he said.

Rep. Donna Shalala, D-Fla., questioned why the minimum loan amount was set at \$250,000, suggesting that was too high and that a minimum amount of \$50,000 might be more appropriate.

Rosengren explained that the widely popular Paycheck Protection Program had been designed to help small businesses by providing loans that would turn into grants if the businesses met requirements for keeping workers on the payroll. He said the Main Street program was aimed at mid-size businesses, those defined as having fewer than 15,000 employees or less than \$5 billion in annual revenue.

The size of the loans from the Main Street program has been set at \$250,000 to \$300 million.

According to the first batch of data on the program released Thursday, the program had provided just eight loans totaling \$76.9 million since the program began on July 6 with the largest amount a \$50 million loan which went to a Mount Pocono, Pennsylvania, casino operator.

The Fed has said it plans to release more data in coming days that will show a pickup in loan activity.