

German firm says gov't blocks exports to China

A German company that specializes in laser communication says it is pulling out of uncompleted deals in China after the German government barred it from delivering hardware to the country.

Mynaric said on Friday that it had requested official clearance of a planned export of products to a Chinese customer, which it didn't identify. It said it received a notification "that clearly prohibits Mynaric from delivering laser communication hardware to China."

Asked on Monday about the company's announcement, Economy Ministry spokesman

Korbinian Wagner had no immediate comment and said the government typically doesn't confirm, deny or comment on individual cases.

Mynaric, which said it hadn't yet delivered any laser communication hardware to China, said it is ceasing business in China immediately and would start extricating itself from uncompleted transactions. It said it "considers its clear commitment to national interests of its core markets as critical to its business success."

"This commitment is even more important now, considering pending governmental opportunities in the US — a market that is currently gaining significant momentum," it added, citing as one example the Space Development Agency's current examination of proposals related to a U.S. government communication network.

Mynaric said it "has received high interest from numerous international actors."

Increasing antagonism between the United States and China is rattling governments and companies around the world, with the role of China's Huawei in 5G telecommunications networks one major source of tension. (AP)

JCI posts Q3 loss of \$182 mln

Johnson Controls International PLC (JCI) on Friday reported a fiscal third-quarter loss of \$182 million, after reporting a profit in the same period a year earlier.

The Cork, Ireland-based company said it had a loss of 24 cents per share. Earnings, adjusted for non-recurring costs, were 67 cents per share.

The results beat Wall Street expectations. The average estimate of six analysts surveyed

by Zacks Investment Research was for earnings of 50 cents per share. The diversified technology and industrial company posted revenue of \$5.34 billion in the period, also beating Street forecasts. Five analysts surveyed by Zacks expected \$5.14 billion.

For the current quarter ending in September, Johnson Controls expects its per-share earnings to range from 68 cents to 72 cents. (AP)

Equities rise on stimulus moves, US jobs data

Brent crude firms up, dollar gains versus yen

NEW YORK, Aug 10, (AP): Shares advanced Monday in Europe and Asia after President Donald Trump issued executive orders to provide tax relief and stopgap unemployment benefits for Americans hit by the fallout from the coronavirus pandemic.

Investors are watching for further developments on stimulus for the US economy and on trade tensions between Beijing and Washington. Trade talks are planned for Friday, to be held virtually due to the coronavirus pandemic.

Germany's DAX was flat at 12,673.25 while the CAC 40 in France added 0.5% to 4,911.65. Britain's FTSE 100 picked up 0.3% to 6,050.82. The future for the S&P 500 was flat, at 3,345.80 while the future contract for the Dow industrials gained 0.2% to 27,389.00.

"It has been an unusually risk-friendly start to the Monday proceedings, but there is still a lot of wood to be chopped on the US stimulus deal, while Aug 15 trade talks loom ominously," Stephen Innes of AxiCorp said in a commentary.

Stock prices fell in Hong Kong after the authorities arrested pro-democracy media tycoon Jimmy Lai and some of his associates on suspicion of collusion with foreign powers.

The Hang Seng index dropped 0.6% to 24,377.43.

Lai was arrested Monday under the city's national security law and posts on Twitter showed him being taken away by police, as dozens of uniformed police searched the headquarters of his newspaper, Apple Daily.

The national security law that came into effect June 30 is widely seen as a means to curb dissent after anti-government protests rocked Hong Kong last year. It has raised questions over whether and to what extent Communist Party leaders in Beijing will respect the "one-party, two-systems" arrangement promised to the former British colony for a half-century after China took control of the semi-autonomous in 1997.

Elsewhere in Asia, South Korea's Kospi jumped 1.5% to 2,386.38 and the S&P/ASX 200 in Australia surged 1.8% to 6,110.20. The Shanghai



Currency traders watch monitors at the foreign exchange dealing room of the KEB Hana Bank headquarters in Seoul, South Korea, on Aug 10. Shares were mostly higher in Asia on Monday after President Donald Trump issued executive orders to provide tax relief and stopgap unemployment benefits for Americans hit by the fallout from the coronavirus pandemic. (AP)

Composite index advanced 0.8% to 3,379.25.

Shares also rose in Taiwan, India and Thailand.

China reported its consumer price index rose to 2.7% in July from 2.5% in June as flooding disrupted farming across much of the country, pushing food prices higher. But producer prices and core inflation, which exclude food and energy prices, fell to a ten-year low of 0.5%, reflecting continued weakness amid the pandemic.

Sentiment on Wall Street was lifted Friday by positive US jobs data, with US employers adding nearly 1.8 million jobs last month, about 185,000 more than economists had forecast.

The S&P 500 inched up 0.1% to 3,351.28 to eke out a sixth straight gain on Friday. It is within 1% of its record high set in February.

But uncertainty overhangs the markets, with the total number of confirmed coronavirus cases in the US surpassing 5 million. Technology stocks have taken a hit as investors fret that China could retaliate for President Donald Trump's latest escalation

against Chinese tech companies.

With Republicans and Democrats in Congress reportedly far apart late last week on stimulus legislation, Trump issued a set of four executive orders.

They call for:

Continued payments of up to \$400 a week of supplemental federal unemployment benefits for millions of Americans out of work during the outbreak.

A payroll tax deferral that would allow employers to defer collecting the employee portion of the payroll tax, including the 6.2% Social Security tax on wages, effective Aug 1 through the end of the year.

The Treasury and Housing and Urban Development departments to find funds to help people struggling to pay their rent.

Extension of a moratorium on student loans backed by the federal government that would have expired on Sept 30 and that also forgave interest on the deferred payments.

Analysts questioned the impact of the orders, which appear certain to face legal challenges. Democrats called the

move a pre-election ploy that would burden cash-strapped states, which may be expected to pick up more of the tab for unemployment benefits.

Trump issued the orders after congressional talks broke down. Democrats initially sought a \$3.4 trillion package, but said they lowered their demand to \$2 trillion. Republicans had proposed a \$1 trillion plan.

Both the White House and congressional Democrats indicated Sunday they wanted to resume negotiations, but no talks were scheduled.

With the Nov. 3 election approaching, the White House is nervously watching signs that the economic recovery is slowing down as the coronavirus surges.

In other trading Monday, US benchmark crude oil gained 62 cents to \$41.84 per barrel. On Friday, it gave up 73 cents to \$41.22 per barrel.

Brent crude, the international standard for pricing, added 47 cents to \$44.87 per barrel.

The US dollar rose to 105.96 Japanese yen from 105.92 yen. The euro slipped to \$1.1772 from \$1.1789.

NBK rallies 8 fils, Mabane flat

Kuwait extends gains, volume little changed

By John Mathews

Arab Times Staff

KUWAIT CITY, Aug 10: Kuwait stocks pulled higher on Monday extending the gains from previous session. The All Shares Index, after a tame start, climbed 24.21 points to 5,053 pts led mostly by heavyweights even the broader sentiment remained mixed.

The Premier Market jumped 36.06 points to 5,546.95 pts taking the month's gains to 131 points while Main Market added 2.45 pts. The BK 50 Main index eased 1 pt to 4,067.18 points. The volume turnover meanwhile was little changed following the three-day rise. Over 195 million shares changed hands, down 0.5 pct from Sunday.

The sectors closed mixed. Consumer Goods outshone the rest with 3.33 pct gain whereas Insurance shed 1.64 pct, the worst performer of the day.

Banking sector continued to dominate in both volume and value with 50.3 million shares traded for KD 16.15 million.

Among the standout performers, sector bellwether National Bank of Kuwait rallied 8 fils on back of 3.5 million shares while Kuwait Finance House rose 3 fils to 596 fils after moving 8.3 million shares. Kuwait National Cinema Co jumped 30 fils to 750 fils recouping last session's losses.

Zain rose 5 fils to 563 fils on back of 8.2 million shares while Ooredoo was down 4 fils at 579 fils. stc added 3 fils before closing at 830 fils and logistics major Agility tripped 1 fil after trading 2.4 million shares. Humansoft Holding dropped 26 fils to KD 2.509 extending Sunday's losses and KIPCO dialed up 2 fils. Mabane Co was flat at 635 fils.

The market opened on a tame note and edged lower in early trade. The main index plumbed the day's lowest level of 5,019 points and headed north amid buying in some of the blue chips. It traded sideways past the mid-session and revved up again to peak at 5,058 pts before paring back some of the gains at close.

Top gainer of the day, Thuraya soared 65 pct to 120 fils rebounding from last session's plunge while Warbac stood next with 14.8 pct gain. Fujairah Ce-

ment Co skidded 8.8 percent, the steepest decliner of the day and Gulf Petroleum Investment topped the volume with 53.3 million shares.

Mirroring the day's gains, the winners outnumbered the losers. 55 stocks advanced whereas 42 closed lower. Of the 121 counters active on Monday, 24 closed flat. 6,778 deals worth KD 29.14 million were transacted during the session.

National Industries Group ticked 1 fil higher to 157 fils and Mezzan Holding scaled 22 fils on back of over 2 million shares. Boubyan Petrochemical Co gave up 4 fils and Al Qurain Petrochemical Co inched 1 fil higher to 281 fils. Integrated Holding eased 1 fil into red.

Jazeera Airways was unchanged at 610 fils and ALAF-CO trimmed 1 fil before ending at 152 fils. OSOS climbed 4.4 fils to 97.2 fils and IFA Hotels and Resorts ticked 0.1 fil lower. Soor Fuel was unchanged at 107 fils and Oula Fuel dialed up 2 fils with thin trading. Energy Holding eased 0.5 fil to 20.5 fils.

Kuwait Cement Co fell 2 fils to 164 fils whereas Kuwait Portland Cement stood pat at 733 fils. Kuwait Hotels slipped 4.9 fils to 94.4 fils and Educational Holding paused at 290 fils. Heavy Engineering Industries and Shipbuilding Co was flat at 350 fils and NICBM too did not budge from its earlier close of 162 fils.

Kuwait Foundry Co dialed up 2 fils and Gulf Cable inched 1 fil into green. Kuwait and Gulf Links Transport Co clipped 0.4 fil and KGL Logistics paused at 25.2 fils. Metal and Recycling Co added 2.2 fils and Combined Group Contracting Co took in 1 fil. KCPC gave up 5 fils and KPPC eased 0.2 fil to 42.6 fils.

In the banking sector, Gulf Bank was unchanged at 201 fils after trading 6.8 million shares and Burgan Bank edged 1 fil into red. Boubyan Bank rose 4 fils on back of 2.5 million shares whereas Kuwait International Bank and Warba Bank paused at 167 fils and 198 fils respectively.

The market has been upbeat so far during the sessions scaling 43 points in last two sessions. It has gained 85 points from start of the month and is down 1,333 points year-to-date.

UK to spend millions to ease Brexit red tape for N. Ireland

LONDON, Aug 10, (AP): The British government will spend up to 355 million pounds (\$465 million) to help businesses in Northern Ireland deal with the red tape caused by Brexit, officials said.

Brexit's supporters, including British Prime Minister Boris Johnson, say leaving the European Union will be a boon for U.K. businesses. Many economists are skeptical of that claim, and Brexit presents special challenges for Northern Ireland, which shares a border

with EU member Ireland.

Britain left the 27-nation bloc on Jan. 31 but it remains bound by the EU's rules until the end of 2020, when a post-Brexit transition period expires. The two sides are trying to negotiate a new trade agreement before the deadline, but remain far apart on key issues including competition rules and fishing rights.

A withdrawal agreement between the two sides requires the all-but-invisible border between Ireland and Northern Ireland to remain free of customs

posts and other barriers. That means there will be new checks on goods moving between Northern Ireland and the rest of the U.K.

The British government says these will be minimal, and is setting up a Trader Support Service to help Northern Ireland firms handle customs declarations and other paperwork involved in importing goods. The government says it will commit up to 200 million pounds (\$235 million) for the service over five years, and will also spend up

to 155 million pounds (\$182 million) on new technology.

On a visit to Northern Ireland, Minister Michael Gove, who is in charge of U.K. Brexit preparations, denied there would be "a border down the Irish Sea."

"Northern Ireland businesses, Northern Ireland people will continue to have totally unfettered access to the rest of the U.K.," he said, though he acknowledged there would be some new "bureaucratic processes."

exchange rates - Aug 10

Table of exchange rates for various currencies including US dollar, Sterling pound, Euro, Japanese yen, Swiss franc, Canadian dollar, Swedish krona, Saudi riyal, UAE dirham, Bahraini dinar, Omani riyal, Danish krone, Indian rupee, Pakistani rupee, Sri Lankan rupee, Bangladesh taka, Philippine peso, Australian dollar, Hong Kong dollar, Singapore dollar, Jordanian dinar, Egyptian pound, Cyprus pound, Yemeni riyal, Thai baht, South African rand, Korean won, Syrian pound, Iranian Riyal, Lebanese pound, Malaysian ringgit, Indonesian rupiah, New Zealand dollar, and local gold prices.