

Rio Tinto to close New Zealand smelter and axe 1,000 jobs

Mining giant Rio Tinto said Thursday it will close its aluminum smelter in southern New Zealand, resulting in 1,000 job losses and dealing a major economic blow to the region.

tions over the coming months and close the plant next August. It said the plant lost \$30 million last year and is no longer economically viable due to high energy costs and a challenging outlook for aluminum.

impacts of the closure. New Zealand's Finance Minister Grant Robertson said the closure had been a possibility for some time, especially after the government told Rio Tinto back in 2013 that it would stop providing taxpayer subsidies.

Greenpeace New Zealand's executive director Russel Norman said the closure would release a huge amount of low-carbon and affordable power back onto the nation's electricity grid.

the transport and industrial sectors, while simultaneously helping to reduce New Zealand's current account deficit by cutting the billions of dollars we spend on importing oil for the transport sector," Norman said.

Asian stocks follow Wall Street higher



Currency traders watch monitors at the foreign exchange dealing room of the KEB Hana Bank headquarters in Seoul, South Korea, July 9. Asian stock markets followed Wall Street higher on Thursday following gains for major US tech stocks. (AP)

Hang Seng up 0.5 pct despite US-Chinese tensions

BEIJING, July 9, (AP): Asian stock markets followed Wall Street higher on Thursday following gains for major US tech stocks.

Benchmarks in Shanghai, Tokyo, Hong Kong and Australia rose.

US stocks have recovered most of this year's losses, helping to push up global prices, despite rising numbers of American coronavirus infections that threaten to derail economic improvement.

On Wednesday, Wall Street turned in its sixth gain in seven days when the benchmark S&P 500 index closed up 0.8%.

"The uptick in sentiment seems unrelated to any specific news," said Stephen Innes of AxiCorp in a report.

The Shanghai Composite Index rose 1.5% to 3,451.93 and the Nikkei 225 in Tokyo added 0.7% to 22,587.64.

The Hang Seng in Hong Kong gained 0.5% to 26,254.31 despite US-Chinese tensions over a security law imposed on the territory.

The Kospi in Seoul was 0.7% higher at 2,173.66 and Sydney's S&P-ASX 200 advanced 0.9% to 5,974.40. New Zealand, Singapore and Bangkok retreated while Jakarta rose.

Wall Street's rally got back on track Wednesday after more gains for big technology stocks helped pull the S&P 500 to its sixth gain in seven days.

The S&P 500 drifted up and down for most of the day, before a last-hour lift sent it to a gain of 0.8%. Treasury yields and oil prices also ticked higher, but caution continued to hang over markets as gold touched its highest price since 2011.

The Dow Jones Industrial Average rose 177.10 points, or 0.7%, to 26,067.28, and the Nasdaq composite gained 148.61, or 1.4%, to 10,492.50 to set another record. The S&P 500, which more index funds benchmark themselves against, rose 24.62 to 3,169.94 and is back within 6.4% of its record.

Wednesday's up-and-down trading was reminiscent of the market's moves over the last month, when Wall Street has largely churned in place. Optimism is rising about a reopening economy, but worsening coronavirus infection levels across much of the US South and West threaten to derail the budding economic improvements.

Several very early indicators on the economy may also be flashing yellow, such as dine-in reservations at restaurants and airport traffic, as some states roll back their reopenings, said Katie Nixon, chief investment officer at Northern Trust Wealth Management.

That could be driving investors back into the comfort of the stocks that have served them so well for years: big tech-oriented stocks. Such stocks have con-

tinued to climb as investors bet they'll be able to grow almost regardless of what the economy is doing. Amazon added 2.7%, Apple rose 2.3% and Microsoft gained 2.2%. Because of their immense size, those three stocks alone were responsible for more than half the S&P 500's gain for the day.

"It's sort of like: Buy what feels safe, even though you know you're maybe overpaying for it," Nixon said. "But it's better than betting on a recovery that's maybe going to be slower than expected, particularly given the fact that we're seeing a spike in cases in some major areas of the United States."

Such indomitable strength for technology stocks is raising some concerns, though.

"The Nasdaq is screaming warning signs that there's rampant speculation," said Andrew Slimmon, senior portfolio manager at Morgan Stanley Investment Management, after expectations have built so high.

"I would be very cautious on some of these companies," he said. "The worst thing in the world is to own companies that have just gone hyperbolic."

Roughly two in five stocks in the S&P 500 fell Wednesday, with several chemical and construction-related companies taking the hardest hits.

The mixed trading follows Tuesday's snapback, when the S&P 500 fell 1.1% to break a five-day winning streak. The selling accelerated late in the day, and analysts say investors were likely cashing in on recent gains given the uncertainty that lies ahead

for markets.

"Up until this time, there's been a pretty consistent litany of pretty good economic reports, but all of a sudden the reopening seems to have plateaued," said David Joy, chief market strategist at Ameriprise Financial.

"There's a certain fragility in the consumer confidence data that's out there right now," he said. "Same thing is true in the jobs data. I think the weekly jobless claims number is going to be increasingly important."

Few headline economic reports are left on the schedule for this week other than Thursday's update on weekly jobless claims. Next week may have more action, when a couple dozen companies in the S&P 500 are scheduled to report their earnings results for the second quarter.

Expectations for the upcoming earnings season are dismal. More important for investors, analysts say, may be what companies say about how they plan to navigate the rest of the year and even 2021, when profits are expected to grow again.

Gold for delivery in July rose \$11.30 to settle at \$1,815.50 per ounce. The more actively traded contract for August delivery neared \$1,830 during the day, the highest level since September 2011.

Gold's price tends to rise with worries about the economy and inflation, and it has climbed more than \$300 since mid-March. Its rise, alongside the stock market's rally, highlights for critics the disconnect between Wall Street and the economy.

Humansoft dips 66 fils

Kuwaiti index wraps up week in red zone

By John Mathews Arab Times Staff

KUWAIT CITY, July 9: Kuwait stocks edged lower in choppy trade on Thursday to wind up the week on a sour note. The All Shares Index extended last session's loss with 8 pts drop to 5,131.46 points led by some of them heavyweights even as the overall mood remained fickle.

The Premier Market slipped 12.64 points to 5604 pts while Main Market ticked 1.27 pts higher. The BK 50 Main eased 1.78 pts to 4190.30 points. The volume turnover meanwhile swung higher to hit a the month's highest level. Over 148 million shares changed hands - a 27 pct surge from the day before.

The sectors closed mixed. Basic Materials outpaced the rest with 1.56 pct gain whereas Consumer Services shed 0.45 percent, the worst performer of the day. Volume wise, Financial Services topped with over 71 million shares while Banking sector was ahead in value mustering KD 10.2 million.

In the individual shares, National Bank of Kuwait slipped 5 fils to 810 fils after trading 2.7 million shares while Kuwait Finance House gave up 4 fils to settle at 603 fils with a volume of 6.4 million taking the year-to-date losses to 208 fils. Mabaneh Co too dropped 4 fils to 656 fils.

Climbed

Zain fell 2 fils to 567 fils after pushing 4.7 million shares while Ooredoo climbed 4 fils to 668 fils. STC gave up 5 fils before settling at 860 fils and logistics major Ajlaj gave up 8 fils to 767 fils on back of 4.7 million shares. Humansoft Holding skidded 66 fils to KD 2.90 and KIPCO dialed up 2 fils.

The market opened firm and edged up in early trade. The main index scaled the day's highest level of 5142 pts and headed south as sentiment weakened. It bottomed at 5,129 points and saw thereafter between small losses and gains before closing in the red territory.

Top gainer of the day, Injazat

jumped 9.15 pct to 79.9 fils and Kuwait Foundry Co scaled 6.7 pct to stand next. Arkan Real Estate shed 4.9 percent, the steepest decliner of the day and ALOLA topped the volume with 44.32 million shares.

Despite the day's slight fall, the market spread was almost even. 47 stocks advanced whereas 48 closed lower. Of the 115 counters active on Thursday, 20 closed flat. 6473 deals worth KD 23.18 million were transacted during the session.

Down

National Industries Group was unchanged at 163 fil while Mezzan Holding ticked 1 fil lower to 577 fils. Boubyan Petrochemical Co tripped 1 fil and Al Qurain Petrochemical Co sprinted 10 fils to 290 fils. Integrated Holding was down 4 fils at 405 fils and Warbacap stood pat at 56 fils. OSOS inched 0.2 fil into red.

Jazeera Airways skidded 8 fils to 642 fils and ALAFCO slipped 6 fils after trading 1.9 million shares. KCPC gained 5 fils and KPCC added 2.1 fils to close at 42.6 fils. Combined Group Contracting Co clipped 2 fils after pushing 4.6 million shares and Mashaer too in 0.9 fil.

Kuwait Cement Co slipped 4 fils to 175 fils and Kuwait Portland Cement climbed 17 fils to 827 fils with thin trading. Kuwait Foundry Co swung 15 fils up while Heavy Engineering Industries and Shipbuilding Co dialed up 2 fils. Kuwait and Gulf Links Transport Co trimmed 1.9 fils and KGL Logistics inched 0.8 fils up.

NAPESCO jumped 29 fils to KD 1.129 and Gulf Cable dipped 20 fils to 565 fils. NICBM took in 1 fil and ACICO Industries ticked 1 fil into red. Gulf Cable was down 20 fils at 565 fils.

In the banking sector, Gulf Bank took in 1 fil on back of over 1 million shares and Burgan Bank followed suit to end at 194 fils. Kuwait International Bank dialed down 2 fils after pushing 2.5 million shares and Boubyan Bank tripped 1 fil. Warba Bank and Ahli United Bank added 1 fil each whereas Commercial Bank paused at 500 fils.

Germany's Daimler says to start talks on sale of plant

BERLIN, July 9, (AP): German automaker Daimler said Friday it plans to start talks on selling its plant in Hambach, France, where it has made the Smart compact car for years.

Daimler currently has some 1,600 employees at Hambach in eastern France. CEO Ola Kallenius said in a

statement that the company is working to increase efficiency in the light of high investments in electrification and other areas, and on top of that "the effects of the COVID-19 pandemic on the economy are creating new framework conditions in the market."

exchange rates - July 09

Table with multiple columns for various currencies: 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, Lebanon pound, Malaysian ringgit, Indonesian rupiah, New Zealand dollar.

travellers cheques

Table showing exchange rates for travellers cheques: BEC, Commercial Bank, Gulf Bank, Al-Ahli Bank for US dollar, Sterling, Euro, and local gold.

local gold

Table showing local gold prices: BEC, Muzaini Exchange for Gold 999 kg, Gold 999 10 tola, Gold ounce, Gold gm 22k, Gold gm 21k, Gold gm 18k, 100 gm 999, 10 gm 999.

All rates in KD per unit of foreign currency