Google offers UK watchdog role in browser cookie phase-out

Google is offering U.K. regulators a role overseeing its phasing out of ad-tracking technology from its Chrome browser, in a package of commitments the tech giant is proposing to apply globally to head off a competition investigation.

The U.K. competition watchdog has been investigating Google's proposals to remove so-called third-party cookies over concerns they would undermine digital ad competition and entrench the company's market power.

To address the concerns, Google on Friday offered a set of commitments including giving the Competition and Markets Authority an oversight role as the company designs and develops a replacement technology.

"The emergence of tech giants such as Google has presented competition authorities around the world with new challenges that require a new approach," Andrea Coscelli, the watchdog's chief executive, said.

The Competition and Markets Authority will work with tech companies to "shape their behaviour and protect competition to the benefit of consumers," he said.

Google's promises also include "substantial limits" on how Google will use and combine individual user data for digital ad purposes and a pledge not to discriminate against rivals in favor of its own ad businesses with the new technology.

If Google's commitments are accepted, they will be applied globally, the company said in a blog post.

Third-party cookies - snippets of code that log user info - are used to help businesses more effectively target advertising and fund free online content such as newspapers. However, they've also been a longstanding source of privacy concerns because they can be used to track users across the internet.

Google shook up the digital ad industry with its plan to do away with third-party cookies, which raised fears newer technology would leave even less room for online ad rivals. The plan involves replacing "individual identifiers" with techniques that hide users in large online groups based on their interests while keeping web browsing histories on devices to maintain privacy.

The competition watchdog will seek feedback until July from other players in the tech and digital ad industry on Google's commitments. Then it will decide whether to accept Google's offer and close the competition case.

Google has been busy grappling with a wave tide of antitrust investigations in Europe. The U.K. offer comes days after it resolved another case involving its digital ad business, when it agreed to pay a 220 million euro ($268 million) to France's antitrust watchdog for abusing its 'dominant' position in online advertising. (AP)

Wall Street caps listless week with uptick

Investors remain in wait-and-see mode ahead of Fed meet

NEW YORK, June 12, (AP): Wall Street closed out a mostly listless week Friday with a wobbly day of trading that helped nudge the S&P 500 to its third straight weekly gain.

The benchmark index edged up 0.2% after spending much of the day in the red. The small uptick was enough to lift the S&P 500 to an all-time high for the second day in a row.

Technology companies and banks accounted for much of the upward move. The gains were offset by a broad slide in health care, energy and real estate stocks. Bond yields were mixed.

With the exception of select "meme" stocks like GameStop and AMC Entertainment hyped by individual investors in online forums, the broader market was relatively quiet this week. Investors remain in wait-and-see mode ahead of the Federal Reserve's upcoming meeting of policymakers Wednesday.

Wall Street is keen for clues about how much of a threat the central bank deems rising inflation as the economy emerges from its pandemic-induced recession, and whether the Fed has begun considering beginning to taper its support for the economy.

"No one is suggesting that it will be at this meeting, but the market is poised for the Fed to at least even tangentially suggest that they're discussing" tapering, said Quincy Krosby, chief market strategist at Prudential Financial.

The S&P 500 rose 8.26 points to 4,247.44. The Dow Jones Industrial Average added 13.36 points, or less than 0.1%, to 34,479.60. The Nasdaq gained 49.09 points, or 0.4%, to 14,069.42. The tech-heavy index also notched a weekly gain.

Investors bid up shares in smaller company stocks. The Russell 2000 index picked up 24.40 points, or 1.1%, to 2,335.81. The index is up 18.3% this year, outgaining the S&P 500's advance of 13.1% and the Nasdaq's 9.2% gain.

People wearing face masks walk past a bank's electronic board showing the Hong Kong share index in Hong Kong, Friday, June 11, 2021. Shares were mostly higher in Asia on Friday after the S&P 500 index notched another record high despite a 5% surge in U.S. consumer prices in May. (AP)

Among the winning technology and financial stocks were chipmaker Nvidia, which rose 2.3%, and Wells Fargo, which gained 1.3%. Several retailers also rose. V.F. Corp., maker of Vans shoes and other apparel, climbed 4.7% for the biggest gain in the S&P 500, while Gap rose 3.2% and L Brands gained 2.3%.

Traders dumped shares in several health care companies after they issued disappointing development updates. Vertex Pharmaceuticals dropped 11% after telling investors it will end development of a potential treatment for a genetic condition that targets the liver. Incyte fell 5.7% as its potential eczema cream ruxolitinib faces a delayed regulatory review. The two stocks topped the list of decliners in the S&P 500.

Investors were relieved to see Thursday that a much-anticipated report showed that a big rise in consumer-level inflation last month was mostly attributed to temporary factors. That could mean less pressure on the Fed to pull back on its measures supporting the economy.

A significant share of May's rise in consumer prices was tied to the sale of used cars, which is largely attributed to purchases by rental car companies beefing up their fleets as people return to traveling.

Bond yields were mixed Friday, though the yield on the closely watched 10-year Treasury note was trading at 1.46%, down from 1.57% a week ago. Yields have been mostly headed lower this week despite reports showing more strength in the economy and possible signs of inflation.

Shares were mostly higher in Asia on Friday after the S&P 500 index notched another record high despite a surge in U.S. consumer prices in May.

Shanghai fell, Tokyo was nearly unchanged, while shares rose in Hong Kong, Seoul and Sydney. U.S. futures were marginally lower.

On Thursday, Wall Street logged gains while bond yields mostly fell despite the much-anticipated report showing consumer prices rose 5% in May, the biggest year-over-year increase since 2008 and more than economists had expected.

Investors also reacted positively to more data that showed continued improvement in the labor market.

The worry is that if signs of inflation persist, central banks may move to withdraw stimulus from the economy to ease price pressures.

But investors are still buying into the Federal Reserve's stance that the current bout of inflation is transitory, said Jeffrey Halley of OANDA.

"Financial markets have long raised a selective use of facts to an art form," Halley said in a report. "Although the US inflation measures rose once again and slightly above forecast, the actual increases were less than those recorded in April."

Taking all factors into consideration, "that was all the street needed to return to its buy-everything happy place."

In Asia, where China-U.S. tensions are among many factors weighing on sentiment, the mood was less ebullient.

Tokyo's Nikkei 225 index was unchanged, at 28,948.73, while the Hang Seng in Hong Kong rose 0.4% to 28,847.02. The Kospi in Seoul gained 0.8% to 3,249.32, while the Shanghai Composite index slipped 0.5% to 3,593.20.

India's Sensex gained 0.3%.

On Thursday, the S&P 500 gained 0.5% to 4,239.18, just beating its previous all-time high set on May 7th. The Dow Jones Industrial Average edged up 0.1% to 34,466.24. The Nasdaq Composite rose 0.8%, to 14,020.33, while smaller company stocks lagged the broader market. The Russell 2000 index fell 0.7% to 2,311.41.

A significant share of May's rise in consumer prices was tied to the sale of used cars, which is largely attributed to purchases by rental car companies beefing up their fleets as people return to traveling.

Verdict constitutes a serious precedent: Brussels

EU challenges top German court's ruling

BERLIN, June 12, (AP): The European Union on Wednesday launched proceedings against Germany over a ruling by the top German court last year on a European Central Bank bond-buying program that broke with a verdict from the EU's own top court.

Brussels says that "constitutes a serious precedent."

Germany's Federal Constitutional Court in May last year gave the ECB three months to prove that its key bond-buying program was justified and appropriate. It ruled that, if the bank failed to do so, Germany's own national central bank could no longer participate in the program -- and would even have to sell bonds that it had purchased.

The issue has since been resolved without disruption to the ECB's stimulus efforts. But the ruling upset Brussels because the German court broke with the EU's own top court, the European Court of Justice, which had approved the bond purchases. In the EU's judgment, that broke the principle of the primacy of EU law in the 27-nation bloc.

The EU's executive arm, the European Commission, decided Wednesday to send a formal notice to Germany for "violation of fundamental principles of EU law," giving it two months to reply. If it isn't satisfied with Berlin's response, it could then take the case to the European Court of Justice.

"The Commission considers that the judgment of the German Constitutional Court constitutes a serious precedent, both for the future practice of the German Constitutional Court itself, and for the supreme and constitutional courts and tribunals of other member states," the EU executive said in a statement.

The German government said it had taken note of the EU's move but was otherwise tightlipped.

"We will look closely at the concerns expressed by the European Commission and then, as the procedure foresees, respond to them in writing," Chancellor Angela Merkel's spokesman, Steffen Seibert, told reporters in Berlin. "Beyond that, I can't give you any information at this point."

Migrant 'workers' in Malaysia win lawsuit against Goodyear

KUALA LUMPUR, Malaysia, June 12, (AP): A Malaysian court on Thursday ruled in favor of 65 migrant workers who sued U.S. tiremaker Goodyear for underpaying them, their lawyer said, calling it a victory for foreign employees.

Chandrasegaran Rajandran said the Industrial Court agreed that the workers from Nepal, India and Myanmar were entitled to benefits under a collective labor agreement that include shift allowances, annual bonuses and pay increases. The company argued that the foreigners were not represented by the labor union.

He said the plaintiffs were the third group of foreign workers to win a case against Goodyear in the Industrial Court. Goodyear Malaysia Berhad has appealed the verdicts in the earlier cases involving 119 migrant workers, with a decision due on July 26, he said. In total, the workers are claiming more than 5 million ringgit ($1.2 million) in unpaid wages, he said.

"It's a victory for migrant workers. There should be no discrimination against them," Chandrasegaran said. He said he believes the case against Goodyear is just the tip of the iceberg and hopes the victory will encourage other companies to treat their foreign workers fairly.

Goodyear officials couldn't immediately be reached for comment Friday.

Anil Kumar, one of the plaintiff, told The Associated Press that he was grateful for the court's decision. The 27-year-old Myanmar citizen, who has been working at Goodyear's factory in central Selangor state for over two years, said foreign staff got the short end of the stick.

Foreign workers get only a basic salary with overtime, while local employees have many other renumerations such as meal vouchers and extra allowances, he said.

"We are happy. Before this we felt that the Malaysian law was biased but now, we feel it's fair," he added.

A man wearing a face mask walks in front of a Goodyear shop in Bukit Jalil, outskirts of Kuala Lumpur, Malaysia, Friday, June 11, 2021. (AP)

GM softens on standards for car pollution

DETROIT, June 12, (AP): The nation's largest automaker said Wednesday it can support greenhouse gas emissions limits that other car manufacturers negotiated with California - if they are achieved mostly by promoting sales of fully electric vehicles.

It is a new stance for General Motors, which had supported the Trump administration's efforts to end California's ability to set its own limits. The shift brings GM closer to the 2019 California deal signed onto by five other automakers, offering hope for a breakthrough on an industrywide deal.

But GM's proposal of an accelerated transition to electric vehicles - in the last year, fully electric vehicles accounted for less than 2% of US new vehicle sales - falls short of more strict emissions reductions for gas-powered vehicles being urged by a top Senate Democrat.

Details of GM's shifted stance came in a letter from CEO Marry Barra to EPA Administrator Michael Regan, who has been meeting with auto companies this week in advance of the agency's release of its proposed tailpipe-pollution and fuel-economy standards, set for July.

Regan discussed the standards with GM CEO Mary Barra, and he also talked with Stellantis (formerly Fiat Chrysler) and Toyota officials this week, the EPA said. More meetings with automakers are coming.