

In surprise move, Norwegian low-cost airline names new CEO

A new CEO for low-cost carrier Norwegian Air Shuttle was tapped Monday when the carrier's Chief Financial Officer Geir Karlsen was named a day after the board decided to immediately terminate the contract with former CEO Jacob Schram.

No reason was given for the change. In a statement, board head Svein Harald Oeygard said Karlsen "has the competencies, focus, trust and dedication that makes him the best choice as CEO of Norwegian."

Schram told the Norwegian news agency NTB that his firing "came as a great surprise to me."

The ailing airline has struggled with the fallout from the coronavirus pandemic and a debt restructuring plan. Last month, Schram announced that Norwegian "has been saved." The claim came after Norwegian had concluded a rescue plan, raising 6 billion kroner (\$721 million) through the sale of perpetual bonds, new shares and a rights issue.

In January, the Oslo-based airline said it was ending its long-haul operations and was focusing instead on European destinations. The company then presented a plan that cut

its fleet from 140 aircraft to about 50.

Norwegian said it had reduced its total debt under a plan approved by bankruptcy courts in Ireland, where its planes are registered, and in Norway. The courts demanded that the airline raise at least 4.5 billion kroner (\$518 million) as part of a program to emerge from bankruptcy protection in the two countries. The airline, whose fleet were mostly grounded as the pandemic has caused a near-total halt to global travel, also terminated aircraft orders with Boeing and Airbus. (AP)

In this file photo, Lufthansa aircraft that are not in use at the moment are parked on a closed runway in Frankfurt, Germany. Germany's biggest airline, which also owns carriers including Austrian Airlines and Swiss, received a 9 billion-euro, 10.8 billion dollars, government rescue package about a year ago and aims to pay back billions of euros in aid provided to help the airline through the coronavirus pandemic before Germany's election in late September. (AP)



Market Movements 21-06-2021

	Change	Closing pts		Change	Closing pts				
SAUDI	-	Tadawul	+68.43	10,859.18	JAPAN	-	Nikkei	-953.15	28,010.93
UK	-	FTSE 100	+44.82	7,062.29	UAE	-	DFM	-2.98	2,847.95
EUROPE	-	Euro Stoxx 50	+28.96	4,112.33	PHILIPPINES	-	All Shares	-24.21	6,827.17
EGYPT	-	EGX 30	+263.67	10,061.58	PAKISTAN	-	KSE 100	-226.15	48,012.52
INDIA	-	Sensex	+230.01	52,574.46	SINGAPORE	-	Straits Times STI	-26.29	3,117.87

Business

Many economists see the recent spike as temporary

Inflation ahead? Even a top economist says it's complicated

Chinese lenders promise to step up cryptocurrency ban

Banks urged to 'maintain financial stability and security'

BEIJING, June 21, (AP): China's biggest banks promised Monday to refuse to help customers trade Bitcoin and other cryptocurrencies after the central bank said executives were told to step up enforcement of a government ban.

Regulators appear to worry that despite the 2013 ban on Chinese banks and other institutions handling cryptocurrencies, the state-run financial system might be indirectly exposed to risks. Beijing also worries users might evade efforts to monitor and control the financial system.

The four major state-owned commercial banks and payment service Alipay promised to step up monitoring of customers and block use of their accounts to buy or trade cryptocurrencies.

"Customers are asked to be more aware of risks, safeguard bank accounts and not to use virtual currency-related transactions," China Construction Bank Ltd. said on its website.

Promises

Similar promises were issued by Industrial and Commercial Bank of China Ltd., Bank of China Ltd., Agricultural Bank of China Ltd., Postal Savings Bank of China Ltd. and Alipay, operated by Ant Group.

Promoters of cryptocurrencies say they allow anonymity and flexibility, but Chinese regulators warn that might aid money-laundering or other crimes. Bank executives were summoned to a meeting at which they were questioned about their activities and told to "maintain financial stability and security," the central bank said in a statement.

It said cryptocurrency trading "disrupts normal economic and financial order" and can facilitate money laundering and other crime.

Regulators tightened prohibitions against handling cryptocurrencies in 2017 and publicly reminded banks about their potential risks in May, possibly reflecting concern cryptocurrency mining and trading was continuing.

Regulators in several Chinese regions have ordered cryptocurrency mining operations to shut down.

The Chinese central bank is developing an electronic version of the country's yuan that could be tracked and controlled by Beijing.



In this file photo, a woman walks past an advertisement for the Bitcoin cryptocurrency in Hong Kong. China's biggest banks promised Monday, June 21, 2021, to refuse to help customers trade Bitcoin and other cryptocurrencies after the central bank said executives were told to step up enforcement of a government ban. (AP)

Participants from 21 countries take part in #InnoVEXVirtual

Startups showcase deep tech innovations

TAIPEI, Taiwan, June 21, (Agencies): Startups are the key to technology development, and they are the driver for industry transformations and evolutions. In COMPUTEX 2021 Virtual, the event organizer, TAITRA, has dedicated a special hall for #InnoVEXVirtual. With 81 startups from 21 countries, TAITRA aims to empower these startups by bridging the network and business opportunities with them and the global technology ecosystem through the digital platform.

Sparkling creativity with global disruptors

Since its first establishment in 2016, InnoVEX, the exhibit dedicated to startups at COMPUTEX, has successively hosted National Pavilions from France, Korea and the Netherlands. The National Pavilions have become one of the exhibition highlights to the visitors, venture capitalists and media.

This year, La French Tech Pavilion, organized by Business France, gathers 5 teams to showcase tech strength and diversity from France in the fields

including Quantum Computing as a Service, Organic Photovoltaic, Wireless Charging, Processing-In-Memory and Home Tech Appliances.

Starting with daily life applications, the Korea Pavilion, organized by KOTRA, demonstrates careful observation and innovations on Pet Healthcare Monitoring System, All-in-One Educational Robots and Skin Detection and Analysis. In addition, there are two AI startups to improve speech recognition accuracy and indoor auto-mapping.

Platform

The Netherlands, which considers InnoVEX as its national key strategic platform, returns with a team to showcase technologies including Substitutional Reality (SR) Display, 3D Printed Lenses, Time Machine Camera, Employee Training Software, Quantum Computing Accelerator and Framework, and Mail Security.

First-time participant EBRD leads a 8-country delegation of 18 exhibitors from Eastern Europe, North Africa,

and Central Asia. The EBRD Pavilion features industry disruptors in Blockchain, Cybersecurity, Video Analytics, Security Robots and Automation Solutions, exploring the infinite possibilities of diverse applications.

Taiwan shines as the premier base for global startups to grow business

As for local startups in Taiwan, the TACC+ Pavilion focuses on rising stars in AIoT and healthcare. #InnoVEXVirtual provides a stage for global startups looking for ways to enter the Asian market. Connecting with leading manufacturers and complete healthcare system in Taiwan, startups have a chance to scale internationally.

The TYC Startup Pavilion, co-organized by the Department of Youth Affairs of City Government of Taoyuan and Chung Yuan Christian University, has selected a total of 20 teams in the fields of AI Analytics, Smart Manufacturing, Environmental Testing, VR Applications, Computer Programming, Green Energy, and IoT, to represent innovation energy in Taiwan, including TYCommander, Andong Youth Start-up Hub, Hsin-Ming Youth Hub, and innovation incubation centers in local colleges.

Global success stories shared at InnoVEX Forum

TAITRA holds the first-ever "Taiwan-Israel Innovation Summit" and invites speakers from Taiwan and Israel to share their experiences and give insights into significant bilateral opportunities through the 2021 InnoVEX Forum. Also, key players and startups in Vietnam and Taiwan will discuss the startup scene and how to realize business potentials through strategic alliances.

Established in 1981, COMPUTEX is one of the leading global ICT, IoT, and startup tradeshows with a complete supply chain and IoT ecosystems. Co-organized by the Taiwan External Trade Development Council (TAITRA) and Taipei Computer Association (TCA), COMPUTEX, based upon Taiwan's complete ICT clusters, covers the whole spectrum of the ICT industry, from established brands to startups and from ICT supply chain to IoT ecosystems. With strong R&D and manufacturing capabilities and IPR protection, Taiwan is a strategic destination for foreign companies and investors looking for partners in global technology ecosystems.

As a pioneer in technology, COMPUTEX has been at the forefront in embracing digital transformation.

WASHINGTON, June 21, (AP): Two months of sharply rising prices have raised concerns that record-high government financial aid and the Federal Reserve's ultra-low interest rate policies - when the economy is already surging - have elevated the risk of accelerating inflation.

In May, consumer prices rose 5% from a year earlier, the largest such year-over-year jump since 2008.

Many economists see the recent spike as temporary. Others say they worry that higher consumer prices will persist. Jason Furman, a Harvard professor who was President Barack Obama's top economic adviser, thinks the reality is more complicated. He does, however, lean toward the higher-inflation-will-persist camp.

Furman notes that while most economists expect inflation to slow from its current quickened pace, not all think it will fall back to the Fed's preferred level of 2% a year.

The Associated Press spoke recently with Furman about why higher inflation might prove only temporary, why it might persist and whether a little more inflation is all that bad.

The interview was edited for length and clarity.

Question: What's driving inflation up, and do you think it will persist?

Answer: There's been a lot of very temporary inflation from a set of quirks related to the economy's reopening. For example, used car prices have absolutely soared, and other prices are getting back to where they were pre-pandemic.

I don't think anyone thinks the recent rate of price increase is going to continue. The question is, how much does it slow down? Does it slow down all the way back to the 2% increase every year we used to see? Or does it slow down less than that, and we're left with something more like a 3% increase every year?

Q: How bad would 3% inflation be? Is it something we really need to avoid?

A: I don't actually think 3% inflation would be terrible, but it depends. If policymakers tried to lower inflation from 3% to 2% (by raising interest rates), that could be pretty painful. If wages don't keep up with prices, that would also be troubling. But if we want to operate the economy, year in and year out, at a higher inflation rate going forward, I don't see that as a problem. But I do think it's important to make policy based on the most realistic and accurate expectations for what's happening in the future.

Q: Beyond the economy's reopening, what might drive a more sustained bout of inflation?

A: I think the four reasons you might worry that inflation is going to be more persistent are, No. 1,

there are some shoes that haven't dropped yet. The biggest of them being the price of shelter - that's rent. And then it's something called owner's equivalent rent, which is what it costs a homeowner to live in their home. (Both rents and home prices have risen sharply.)

Second factor is some prices are sticky. That means they don't adjust really quickly and right away. A lot of prices change once a year, and you're going to see more of those price changes over time. Wages also tend to be sticky. A lot of employers might in September decide on new wages for January.

The third factor is that it's likely that demand continues to exceed supply through the rest of the year. People have a lot of money. They're spending that money, but not everyone's back to work, which means we can't make everything that people want to buy.

And finally, and most speculatively, expectations for inflation play a big role in the dynamics of inflation. Could expectations change? Could they become unanchored if people start to expect more inflation? It would be self-fulfilling.

Q: How does the current situation compare with the spiraling inflation of the 1970s?

A: There's no danger of a repeat of the experience like the 1970s. The Fed learned that lesson. They'll never let inflation get to 10%. The 1960s is the model for what we're going through now. Inflation crept up from about 1.5% to about 5%.

One of the troubling things in the 1960s was that wages didn't keep up with prices, and so people saw their purchasing power, their real wages fall. I'm not saying that's what's going to happen now, but that is the scenario to be worried about.

Q: Do you think the fed has properly assessed the risks?

A: They shifted policy in the right direction at their latest meeting (on June 15-16). But I think they're going to surprise themselves that they're going to end up with a very strong recovery in jobs, that we're going to end up with more inflation than we expect. And so they're going to raise rates sooner than they think they're going to.

Q: Would that slow the economy or potentially cause a recession?

A: There's two scenarios for the Fed. The most likely one is that our unemployment rate is quite low in 2022. Inflation is running above trend. And so the choice is very easy. They've achieved roughly their maximum employment mandate. They raise rates. The bad scenario for the Fed would be the unemployment rate remains elevated and inflation is running at 3% and then their dual mandate will be pulling them in different directions. And I'm not sure how they would resolve that.



In this file photo, Council of Economic Advisers Chairman Jason Furman speaks during the daily briefing in the South Court Auditorium at the White House in Washington. (AP)

Austria to be aided by EU with package worth over \$4 billion

VIENNA, June 21, (KUNA): Austria is scheduled to receive euro 3.5 billion (USD 4.1 billion) worth of loans and grants from the European Union as part of a "post-corona" package aid to stimulate economies of EU member states.

The pledged overall package for Austria is valued at 70 billion euros (USD 892 billion).

The financial support for the nation was declared at a joint news conference by Austrian Chancellor

Sebastian Kurtz and his guest, Ursula von der Leyen, President of the European Commission, upon her arrival in the country.

The EU has planned to provide such support to all of the 27 EU countries.

The coronavirus has affected economies of states worldwide and incurred hefty losses largely due to paralyzed businesses, peoples' free movement, unemployment and halted transportation.

DHAMAN Participates in Virtual Career Exhibition by GUST

Stemming from its Healthcare for New Kuwait slogan, Health assurance Hospitals Company (DHAMAN) announced its participation in the virtual career exhibition organized by Gulf University for Science & Technology (GUST).

The exhibition will take place during 22 and 23 June 2021 through Khibra online platform.

Regarding this event, DHAMAN Human Resources Director Ahmad Bourisli said that this participation is part of the Company's efforts to attract qualified human resources,



Ahmad Bourisli

especially Kuwaiti nationals, with the aim of developing their abilities and qualification to serve the objectives of New Kuwait 2035.

Bourisli added that DHAMAN has devised a holistic recruitment

plan to hire required medical, technical, and administrative staff from various medical specializations and professional fields in healthcare, especially national human resources.

Bourisli noted that DHAMAN has previously launched a number of recruitment campaigns for a number of roles at the Company's different facilities, such as the head office, primary healthcare centers and hospitals, which are all part of the Company's preparations to finalize activating its healthcare network during next year 2022.

Bourisli extended appreciation and gratitude to GUST for organizing these activities, wishing overall success to all students and participants.