

In this Dec 12, 2012 file photo, anti-virus software founder John McAfee answers questions to reporters as he walks on Ocean Drive, in the South Beach area of Miami Beach, Florida. (AP)



### antivirus software creator charged with cheating investors

Antivirus software entrepreneur John McAfee was indicted on fraud and money laundering conspiracy charges alleging that he and cohorts made over \$13 million by fooling investors zealous over the emerging cryptocurrency market, authorities said.

McAfee, 75, was charged in a newly unsealed indictment in Manhattan federal court along with Jimmy Gale Watson Jr, who served as an executive adviser on what prosecutors described as McAfee's "so-called cryptocurrency team."

Prosecutors said Watson, 40, was arrested Thursday night in Texas and would make an initial appearance Friday before a federal magistrate judge in Dallas. McAfee, authorities said, is detained in Spain on separate criminal charges filed by the US Justice Department's tax division.

Attorney Arnold Spencer, representing Watson, said his client is a decorated former Navy Seal.

"He fought for other people's rights and liberties, and he is entitled to and looks forward to his day in court to exercise some of those very rights," he said in an email.

"Criminal indictments are blunt instruments, not precise scalpels," Spencer added. "This is not the right place to debate whether cutting edge technologies like cryptocurrencies are securities, commodities, or something else."

It was not immediately clear who might represent McAfee. There was still no lawyer listed for him in the Memphis, Tennessee, federal court where tax charges were lodged against him in October.

"McAfee and Watson exploited a widely used social media platform and enthusiasm among investors in the emerging cryptocurrency market to make millions through lies and deception," US Attorney Audrey Strauss said in a statement describing crimes in 2017 and 2018. (AP)

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### Market Movements

05-03-2021

PAKISTAN - KSE 100	Change	Closing pts	AUSTRALIA	Change	Closing pts
+558.82	45,837.35	All Ordinaries	-57.70	6,942.95	
		JAPAN	-65.79	28,864.32	
		GERMANY	-135.65	13,920.69	
		FRANCE	-48.00	5,782.65	
		EUROPE	-35.31	3,669.54	
		S. KOREA	-36.31	6,552.37	
		PHILIPPINES	-1.12	6,881.37	
		INDIA	-440.76	50,405.32	
		CHINA	-1.51	3,501.99	

# Business

### First trade breakthrough

## EU and US agree to suspend tariffs

BRUSSELS, March 7, (AP) — A first phone call clinched the first trade breakthrough to start rebuilding trans-Atlantic relations between the United States and the European Union in the wake of the Trump presidency.

After U.S. President Joe Biden and EU Commission chief Ursula von der Leyen spoke, both sides decided to suspend tariffs used in the longstanding Airbus-Boeing dispute for the next four months.

Von der Leyen said that "as a symbol of this fresh start, President Biden and I agreed to suspend all our tariffs imposed in the context of the Airbus-Boeing disputes, both on aircraft and non-aircraft products, for an initial period of 4 months."

It hardly covered all outstanding issues which were left to fester ever more under the four-year presidency of former president Donald Trump, but the EU gladly took whatever it could get from the first personal exchange between the two.

Von der Leyen called it "a very positive signal for our economic cooperation in the years to come."

"This is excellent news for businesses and industries on both sides of the Atlantic," she said.

With the initiative to ease the aircraft fight that long weighed on trade relations, the 27-nation bloc is seeking to rekindle the spirit of cooperation between Washington and Europe that has long defined global diplomacy.

Von der Leyen hopes it is the first indication that both the United States and Europe will stand shoulder to shoulder like they so often over the past century to face global challenges.

Von der Leyen said she invited Biden to a global health summit in Rome on May 21 to streamline the fight against COVID-19, the common enemy that has killed over a million people in the EU and U.S. combined. She hopes it would extend to foreign policy issues as well, where both could cooperate better to face the rising power of China.

On Friday though, it was trade that mattered and the suspension will give a four-month window to address the more fundamental issues. In the aircraft dispute, the U.S. was allowed to impose tariffs on \$7.5 billion of EU exports to the U.S. and as a result of the deal, EU tariffs will be suspended on \$4 billion of U.S. exports.

The tariff suspension will affect everyone from French winemakers to German cookie bakers in Europe and U.S. spirits producers among many others.

## US trade deficit up 1.9% in Jan

Pandemic continues to distort global commerce

SILVER SPRING, Maryland, March 7, (AP) — The level of imported goods to the U.S. in January reached unprecedented levels and pushed the trade deficit 1.9% higher as the coronavirus pandemic continues to distort global commerce.

The gap between the goods and services the United States sold and what it bought abroad rose to \$68.2 billion from \$67 billion in December, the Commerce Department reported Friday. Exports rose 1% to \$191.9 billion, while imports increased 1.2% to \$260.2 billion.

Imports of goods, not including services, increased \$3.4 billion to a record \$221.1 billion in January, led by pharmaceuticals, which rose \$5 billion, or 39%, to \$17.4 billion. Imports of services fell about 1%.

The figure exceeded the previous record for imported goods of \$218.9 billion set in October, 2018.

U.S. exports of goods rose \$2.1 billion to \$135.7 billion in January, while exports of services, like transport and travel, declined \$0.3 billion to \$56.3 billion.

The politically sensitive trade gap with China fell 3.2% to \$27.2 billion. The trade deficit with Mexico rose \$1.6 billion to \$11.9 billion in January.

The coronavirus has upended trade in services such as education and travel, sections of the economy in which the United States runs persistent surpluses. Measured in dollars, monthly exports of U.S. services have declined by nearly one-fourth since



In this Nov 4, 2019, file photo, cargo cranes are used to take containers off of a Yang Ming Marine Transport Corporation boat at the Port of Tacoma in Tacoma, Wash. (AP)

the virus outbreak about a year ago.

Year-over-year, the goods and services deficit climbed to \$23.8 billion, or 53.7%, from January 2020.

Last month, Commerce reported that in 2020, U.S. trade deficit rose 18.1% to \$682 billion, the highest since 2008, as the coronavirus threw global commerce into disarray and stymied then-President Donald Trump's attempts to rebalance America's trade with the rest of the world.

Friday's January trade data release is the last to include the period covering the

Trump administration, which started a trade war with China and imposed steel and other tariffs on American allies that upended seven decades of U.S. policy.

President Joe Biden and his team have so far tiptoed around Trump's headline trade policies. Biden hasn't called off Trump's trade war with China or suggested he would scale back the tariffs on imported steel and aluminum.

Biden's pick for his administration's top trade negotiator, Katherine Tai, has promised to make sure that U.S. trade

## Germany's factory orders up strongly

BERLIN, March 7, (AP) — German factory orders rose more strongly than expected in January, a promising sign of strength in Europe's largest economy, official figures showed Friday.

The Federal Statistical Office reported that industrial orders rose 1.4% in January over the previous month when adjusted for seasonal and calendar variations, double what economists had been predicting.

A 2.6% drop in domestic orders was more than offset by a 4.2% increase in foreign orders, the office reported.

Germany's economy has been doing better than several others in the 19-country eurozone as it was supported by manufacturing, which has taken less of a hit than services during the pandemic.

Last week the Statistical Office reported the German economy grew 0.3% in last year's fourth quarter compared with the previous three-month period, a better performance than previously thought.

The revision meant that last year's overall drop in GDP was a touch less sharp than originally reported - 4.9% rather than 5%.

policy benefits America's workers, not just corporations, and to engage more with U.S. allies to counter an increasingly assertive China. Tai is waiting to be confirmed by the full Senate. Fluent in Mandarin, Tai spent several years as the Office of the U.S. Trade Representative's head of China enforcement.

Offering a Package of Exclusive Benefits for Customers with Passion in Healthy Lifestyle, Sports and Football

## Mastercard and NBK Partner to Launch Action-Packed UEFA Champions League Mastercard Cards



**Al-Othman: The UEFA Champions League Mastercard Card is the most integrated product portfolio in the region which connects our consumers to their passion for football**

range of other exclusive prizes and draws. In addition, cardholders can also take part in monthly draws to win exciting packages and gifts.

In another exciting twist, cardholders will now be able to join the live action by simply wagering on their favorite football team and earning thousands of points if their chosen team wins a major game or trophy in the tournament. This is the first time that customers are able to have their passions and dedication for football rewarded with tangible benefits.

Additionally, the UEFA Champions League World Mastercard Credit Card issued by NBK comes complete with many complimentary services, including free access to multiple international airport lounges, free travel insurance, local concierge

services, free valet parking, NBK Secure Shopping, as well as many other offers and discounts.

Speaking on this occasion, Mr. Mohammed Al-Othman NBK's Group Consumer Banking GM at National bank of Kuwait said: "At NBK, we focus our efforts on developing our innovative banking products and services that are tailored to customers' needs and various lifestyles, in addition to offering the best benefits and exclusive promotions all year round, including discounts and special campaigns to attend international tournaments."

"The new cards are specially designed for customers with passion for football, sports and healthy lifestyle representing a step in our endeavors to provide integrated banking solutions that suit all our customers' segments. To this end, we

rely on our continuous communication with them and our keenness to build strategic partnerships with leading global institutions, in a way that contributes to maintaining our leading position and enriching the banking experience of our customers," he added.

Mr. Othman affirmed that Mastercard Credit Cards issued by NBK, entitle customers to participate in the campaigns launched by the bank all year round, and also numerous benefits and features that match their unique lifestyle.

Khalid Elgibali, Division President, MENA, Mastercard said, "We're delighted to collaborate with NBK, one of our longest-standing partners in Kuwait. At Mastercard, we continuously strive to offer our cardholders a host of truly priceless experiences, and this thrilling partnership is yet another testament to connect cardholders across the country to their innermost passions. The new card will not only drive loyalty for football fans but will also demonstrate the

benefits of digital payments to a discerning Kuwaiti audience, thanks to our sponsorship of the UEFA Champions League that we have been proud to support for more than 25 years"

Customers can earn NBK Goal Points on their purchases using the eligible cards: For every KD 1 spent locally, customer will earn 3 NBK Goal Points for World Card and 1 NBK Goal Point for Platinum, whereas for every KD 1 spent internationally, customer will earn 5 NBK Goal Points for World Card

and 3 NBK Goal Points for Platinum.

In addition, and as part of its keenness to provide exceptional rewards to its customers and meet all their various needs, Mastercard Credit Cards issued by NBK provides to the cardholders the opportunity to get cashback up to 25% on their purchases across the world when using eligible Mastercard Credit Cards issued by NBK, at selected leading international brands.

**Elgibali: Our cooperation with NBK gives Mastercard cardholders an exceptional experience and rewards all year round**

### 'No rate hikes in sight'

## Higher US inflation temporary: Powell

WASHINGTON, March 7, (AP) — Federal Reserve Chair Jerome Powell suggested that inflation will pick up in the coming months but that it would likely prove temporary and not enough for the Fed to alter its record-low interest rate policies.

His message of wait-and-see patience caused bond yields to jump and stocks to fall further, signaling that investors foresee stronger growth and higher inflation on the horizon. The yield on the 10-year Treasury note had jumped from below 1% at the end of last year to roughly 1.4% Wednesday - and then surged above 1.5% during Powell's remarks.

Stock investors, too, dumped shares in the midst of Powell's remarks, in which he suggested that the Fed would need to see both a near-full recovery in the job market and a sustained rise in inflation above its target level before considering a rate hike.

The S&P 500 index ended Thursday with a loss of 1.3% and was showing just a sliver of a gain for the year. The tech-heavy Nasdaq pulled back 2.1%. Higher yields on government bonds can entice some investors to sell stocks and buy Treasuries instead, thereby forcing stock prices down.

Powell also said the outlook for the economy has improved after three months of weak job growth. But he cautioned that the economy and the job market are still far from fully recovered and that full employment would not be achieved this year.

### Rising

The chairman also offered no signal that the Fed might respond soon to rising rates on Treasury securities by altering its bond-buying policies. The central bank is purchasing about \$80 billion a month in government bonds. Some analysts argue that the Fed could focus more of those purchases on the 10-year Treasury to keep it from rising much further.

"The market was really looking for more of a definitive stand perhaps against what's happened with yields," said Lisa Erickson, head of traditional investments at U.S. Bank Wealth Management. "It was looking for more assurance, for example, that the Fed might take action."

The surge in Treasury bond yields has also forced up mortgage rates. Last week, the average rate on the benchmark 30-year mortgage breached the 3% mark for the first time since July, according to mortgage buyer Freddie Mac.

Powell suggested, though, that the Fed would sit tight for the foreseeable future.

"We think our current policy stance is appropriate," Powell said.

Earlier this week, San Francisco Fed President Mary Daly and Chicago Fed President Charles Evans said they weren't bothered by the move higher in interest rates. They characterized it as a positive signal that markets expected growth to pick up. Powell said Thursday that the last week's jump in yields "was notable and caught my attention." But he said the Fed wouldn't be concerned unless the Treasury market became "disorderly" or rates rose persistently enough to threaten the economy's growth.

As the economy reopens in the coming months with vaccines more widely distributed, many economists expect a spending boom that will stretch available supplies of goods and services. That additional spending could send prices up in some sectors of the economy.

For example, gas prices have been rising as Americans are venturing out more. Yet oil production hasn't yet caught up, making gas more expensive. And when Americans do return to pre-pandemic habits, such as going to movies or eating out, they will have found many of their former favorite haunts closed.

Once price declines that occurred about a year ago when the pandemic began are removed from the year-over-year calculations, inflation will temporarily rise. But the Fed won't see either of those trends as worrisome increases that would force them to change their policies, Powell said.