

exam finds multiple cracks in part of United jet's engine

Microscopic examination supports early suspicions that wear and tear caused a fan blade to snap inside one engine of a United Airlines plane that made an emergency landing shortly after takeoff last month in Denver, federal safety investigators said Friday.

The National Transportation Safety Board said the blade found "multiple fatigue fracture origins" on the inside surface of the hollow fan blade. The board said "multiple" secondary cracks were found, and that the examination is con-

tinuing.

The Pratt & Whitney engine had been used on 2,979 flights since its last inspection, the NTSB said. After the Feb. 22 incident, the Federal Aviation Administration ordered that certain blades on the same model of engine on other planes be inspected for cracks before their next flight.

The particular Pratt & Whitney engines involved are found on fewer than 100 Boeing 777 jets currently in use. They're also on several dozen other planes that

have been parked because of weak passenger traffic during the pandemic. The affected planes are all used by United Airlines and by carriers in Japan and South Korea.

The engine failure occurred four minutes after the Boeing 777 took off, bound for Hawaii. Debris from the engine and its housing rained down on suburban neighborhoods. The NTSB said the pilots had just increased power to the two engines when a loud bang was captured on the cockpit voice recorder. (AP)



In this file photo a Boeing 737 Max 9 built for United Airlines lands at King County International Airport - Boeing Field after a test flight from Moses Lake, Washington, in Seattle. (AP)

Crash in local currency delays arrival of fuel shipments

Lebanon's caretaker PM warns of chaos as currency plunges

BEIRUT, March 7, (AP) - Lebanon's caretaker prime minister warned Saturday that the country was quickly headed toward chaos and appealed to politicians to put aside differences in order form a new government that can attract desperately needed foreign assistance.

Hassan Diab, who resigned almost seven months ago as prime minister, threatened to suspend his caretaker duties if that would increase pressure for a new Cabinet to be formed.

He spoke in a terse address to the nation as the currency continued its rapid collapse against the dollar, trading at nearly 11,000 Lebanese pounds on the black market for the first time in its history. Angry protesters have blocked streets and highways across the country with burning tires for days, as the pound slid to record new lows.

The crash in the local currency has resulted in a sharp increase in prices as well as delays in the arrival of fuel shipments, leading to more extended power cuts around the country, in some

areas reaching more than 12 hours a day. The crisis has driven nearly half the population of the small country of 6 million into poverty, wiped out savings and slashed consumer purchasing power.

Small groups of protesters blocked roads again in several areas Friday, setting fire to tires and pieces of furniture.

"The dollar is 10,500 (pounds) and everyone has four or five children on their neck, including their parents. They (corrupt politicians) need to feed us," cried one protester.

"They vaccinated themselves from corona but they opened the country so that people could die," he added, referring to a group of lawmakers who inoculated themselves in parliament last month without prior approval. A move that led the World Bank to consider suspending its financing of vaccines in Lebanon.

Another protester who identified himself only by his first name, Ali, said he was frustrated that other Lebanese

Brazil economy faces headwinds after worst plunge in decades

RIO DE JANEIRO, March 7, (AP) - Brazil dodged the most dire economic forecasts in 2020, but official figures released Wednesday show the COVID-19 pandemic still battered the nation and it continues to dim the outlook for recovery.

Brazil's gross domestic product contracted 4.1% in 2020, the biggest annual recession since the series began in 1996, according to Brazil's official statistics institute, known as IBGE. Still, the result is better the 5.3% plunge forecast by the International Monetary Fund in April last

year.

Since the beginning of the health crisis, Brazil's President Jair Bolsonaro has been adamant that the economy must keep running, arguing that lockdowns and restrictions would inflict greater hardship on the population than the disease. That position, which flew in the face of public health experts' recommendations, helped stave off an even deeper recession, at least in the short term - as did a generous pandemic welfare program.

But the country is once again re-

ported on Tuesday. The state-run Fiocruz Institute said Tuesday that intensive-care unit occupation rates in 18 states and the Federal District had surpassed 80% - a level considered critical.

Monica de Bolle, a Brazilian senior fellow at the Peterson Institute for International Economics in Washington, said the GDP figures don't yet capture the full impact of the disaster, including implications of lives lost, people going on disability from long-lasting side effects and lingering costs for the health system.

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were still sitting at home.

"Where are the Lebanese people? The dollar is now 10,500 (pounds) and it will reach to 15, or 20 (thousand). Why are we in homes? We have to go down!"

Diab, who resigned in the wake of

the massive August 4 explosion at Beirut port, suggested he might stop working in his role.

"If it helps to form a government, I am prepared to resort to that option even though it goes against my principles," he said.

In October, former Prime Minister Saad Hariri was named to form a new Cabinet but five months later, disagreements between him and President Michel Aoun on the shape of the Cabinet has stood in the way of a new government's formation.

Lebanon has also been in desperate need of foreign currency, but international donors have said they will only help the country financially if major reforms are implemented to fight widespread corruption, which has brought the nation to the brink of bankruptcy.

US credit card borrowing falls to 'lowest' level in four years

Data offsets gains in auto loans and student loans



This Aug 11, 2019 file photo shows Visa credit cards in New Orleans. Borrowing by Americans fell in January 2021 for the first time in five months, as a big drop in the use of credit cards offset increases in auto loans and student loans. The Federal Reserve reported Friday, March 5, 2021 that consumer borrowing fell by \$1.3 billion in January, the first setback since a \$9 billion decline in August. (AP)

WASHINGTON, March 7, (AP) - Borrowing by Americans fell in January for the first time in five months, as the use of credit cards fell to the lowest level in four years, offsetting gains in auto loans and student loans.

The Federal Reserve reported Friday that consumer borrowing fell by \$1.3 billion in January, the first setback since a \$9 billion decline in August.

The weakness came from a \$9.9 billion decline in borrowing in the category that covers credit cards. It marked the fourth straight decline in that category and was the biggest drop since a \$10.8 billion fall in August. It pushed credit card activity down to the lowest level since January 2017.

The category that covers auto and student loans posted an \$8.6 billion increase in the first month of 2021, following an even bigger gain of \$11.6 billion in December.

Consumer borrowing is closely watched for indications about Americans' willingness to take on more debt to finance their spending, which accounts for two-thirds of U.S. economic activity.

Since the pandemic hit a year ago, millions have lost their jobs and households have grown more cautious, boosting their savings levels as a hedge against economic uncertainty.

Nancy Vanden Houten, senior economist at Oxford Economics, said she believes the drop in borrowing reflects a decision by consumers to use their \$400 stimulus checks from a relief bill passed in December to pay down debt rather than increase spending.

But she forecast that consumer borrowing will rebound.

'Unemployment rose 2.6% points to 10.7'

UN finds soaring poverty in LatAm

SANTIAGO, Chile, March 7, (AP) - More than 20 million people were pushed into poverty during pandemic-plagued 2020 across Latin America and the Caribbean, the UN agency for the region reported Thursday.

Poverty as a whole rose to afflict a total of 208 million people - 33.7% from 30.5% of the population - in a year when the overall gross domestic product collapsed by 7.7%.

Extreme poverty - those without the resources to cover basic food requirements - rose to encompass 78 million people, 12.5% of the region's population, according to the Economic Commission for Latin America and the Caribbean. That's the highest percentage in 20 years.

Poverty as a whole rose to afflict a total of 208 million people - 33.7% from 30.5% of the population - in a year when the overall gross domestic product collapsed by 7.7%.

The report said the situation would have been worse without household subsidy programs enacted by many governments to cushion the blow for some 84 million households.

The report presented online by agency director Alicia Bárcena also found worsening rates of inequality and unemployment across a region that accounts for just 8.4% of the world's population but nearly 28 percent of global deaths from COVID-19.

The report said more than 507,000 people died of COVID-19 last year across Latin America and the Caribbean.

The report said that deteriorating economic, health and education conditions for households "could forge a vicious cycle of poverty and bad health conditions for wide sectors of the population."

Bárcena said levels of inequality have reached "unsustainable" levels and she called for creation of "a true welfare state, a task long postponed



A cat stretches in front of a bakery at La Vega market in Santiago, Chile on March 4, 2021. More than 20 million people were pushed into poverty during pandemic-plagued 2020 across Latin America and the Caribbean, the UN economic agency for the region reported Thursday. (AP)

Alamo Drafthouse files for bankruptcy

TEXAS, March 7, (AP) - Alamo Drafthouse Cinemas Holdings, a Texas-based dine-in theater chain, said that it has filed for bankruptcy and will enter a restructuring agreement due to financial woes during the pandemic.

The company plans to sell most of its assets to affiliates of Altamont Capital and Fortress Investment Group under Chapter 11 bankruptcy, which allows Alamo Drafthouse to continue operating while its managers and advisers work on repaying creditors.

"The transaction will provide the company with much-needed in the region."

Unemployment rose 2.6 percentage points to 10.7 by the end of the year, with the greatest losses among women, informal workers, youths and migrants.

More than 165 million students

incremental financing to stabilize the business during the pandemic, which has had an unprecedented and outsized impact upon the movie theater and dining industries," the company said in a statement. "More importantly, it will position Alamo Drafthouse to return to growth and continue executing on its long-term strategic vision."

In its bankruptcy petition, Alamo Drafthouse listed assets and liabilities of as much as \$500 million each. Court papers show that private equity firm Altamont Capital Management owns 40% of the company.

were affected by school closures, even if some - especially those with economic means - were able to turn to remote learning systems.

Bárcena also noted "great inequality in access to vaccines" needed to escape from the problem.

Technotree 'posts' '20 strong growth

TAMPERE, Finland, March 7, (Agencies) - Technotree, the global provider of IT solutions for the telecom industry, has recently announced its Q4 and full-year 2020 financial results.

In a year that will globally go down in history as the year of pandemic and resultant economic slowdown, Technotree posts a different story. With a substantial 76% increase in net income and 48% EBIT growth, Technotree displayed strong resilience even during the most difficult times. The company struck the right chord for all the key metrics in 2020; and with 4 new clients and an Order-Book of more than 32 million euros, Technotree appears set to continue the growth momentum in 2021.

2020 year performance at a glance:

Net sales grew by 12% to 52.8m euros (47m euros). Net income registered 76% growth to 13.6m euros (7.7m euros). Earnings Before Interest and Tax (EBIT) grew by 30% to 18.6m euros (14.4m euros). Cash & Cash Equivalent showed a 138% growth at the end of the period. Share price soared by 312% in the year. Market Capitalization grew by 360% to 193Me (42Me). EPS grew to 5c from 3c.

Weekly Money Market Report 07 March 2021

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Highlights

- US Dollar reaches 4-month highs.
- \$1.9tn Covid-19 relief package passes Senate.
- U.S. economy adds a robust 379,000 jobs in February.
- UK Budget adds new taxes on corporates.
- China targets 6% growth and introduces new 5 year plan.
- OPEC+ leaves supply curbs in place supporting oil prices.

United States

US Dollar Reaches New Highs

The US dollar rebounded last week between financial instruments. In the case last week, most major currencies were sold in favor of the U.S. dollar supporting the rebound.

Biden's Stimulus Package Passes the Senate

President Biden's stimulus package passed the American Rescue Plan, passed through the House of Representatives in February and had just passed the Senate debate Saturday. The Democrats faced heavy opposition from Republicans who called the bill "partisan and excessive." Indeed, all republicans in the House voted against it and the bill narrowly passed through the initial stages of the Senate where members vote whether to debate new legislation. Vice President Kamala Harris had to break the tie of 50-50 and voted with the democrats to allow the bill to be deliberated. The vote on the final passage came back 50-49 in favor of the Democrats. The bill will now need to return to the House a second time to approve some amendments before heading to the President for ratification.

Non-Farm Payrolls

U.S. employers added a robust 379,000 jobs last month, the most since October and showed that the economy is strengthening as confirmed viral cases drop, consumers spend more and states ease business restrictions. The February gain marked a sharp pickup from the 166,000 jobs that were added in January and the loss of 306,000 in December. Yet it represents just a fraction of the roughly 9.6 million jobs that the economy needs to regain to return to pre-pandemic levels.

Europe & UK

UK Budget

In the UK, Finance minister Rishi Sunak said in the annual budget speech that the economy would return to its pre-pandemic size by mid-2022, six months earlier than previously forecast, helped by Europe's fastest coronavirus vaccination program. The budget will bring some relief to the country in terms of pandemic support remaining in place for many months to come and job protection for affected workers. The chancellor will spend GBP 65 billion in the next two years supporting jobs, investment and the recovery as the country tries to come back from the Covid-19 crisis.

ECB Concerned with Rising Bond Yields

ECB President Lagarde and Chief Economist Lane have signaled that they will watch long-term yields closely and could use the flexibility of the PEPP to dampen upward pressure on yields. It was reported last week that the ECB PEPP purchases slowed to EUR 12 billion in the latest weekly data from EUR 17 billion in the previous period. However, the latest ECB figures cover only the period up to and including last Wednesday, and not the sharp bond market sell-off on Thursday or following days. The next report will provide clearer evidence of whether the ECB has since stepped up PEPP purchases. The price action seen on Thursday suggests that it could be the case. The developments are offering more support for the US dollar in the near-term.

Asia

China Targets 6% Growth

China is targeting at least 6% growth this year, reflecting the government's confidence in the wake of its successful containment of the coronavirus pandemic in the world's second-largest economy. Premier Li Keqiang unveiled the goal at the National People's Congress in Beijing last week. Delegates at this year's week-long session will also formally pass a new five-year economic plan focused on "self-reliance" in critical technologies. The five-year plan aims to increase R&D spending by at least 7% each year through 2025, to reduce China's reliance on US companies for semiconductors and other technologies. Li also added that the government wanted to create a further 11 million jobs, noting the 11.9 million urban jobs created last year. Most economists believe that Beijing will comfortably exceed its growth target, given last year's low level of 2.3% growth in 2020.

Australia GDP Expands

The Reserve Bank of Australia said their economy remains on a steady path in terms of recovery, as forecasts continue to improve due to faster vaccine rollouts. A strong labor market, rising wages, and rising private capital expenditure data painted a rosy picture for the economy moving forward this year. GDP expanded 3.1% in the 4th quarter of 2020 bringing the annual growth rate to a better than expected 1.1%. The bounce in private capital expenditures also reflects growing local optimism, and as a result, the trend has provided upward pressure to the Australian dollar.

Oil Prices Reach New Highs

The move higher in long-term U.S. rates and inflation expectations has been supported as well by the further jump in the price of oil last week. It rose to a new high of USD 69.69 per barrel after climbing by around 8.7% following Thursday's OPEC+ meeting. Oil producers surprisingly agreed to hold output steady in April, while Saudi Arabia said it will maintain its 1 million barrel-a-day voluntary production cut. No additional supply from OPEC+ in April means lower oil inventories throughout 2021 while demand is expected to increase as the global economy recovers.

Kuwait

Kuwaiti Dinar

USD/KWD closed last week at 0.30195.

Rates - 07<sup>th</sup> March, 2021

Currencies	Previous Week Levels				This Week's Expected Range		3-Month Forward
	Open	Low	High	Close	Minimum	Maximum	
EUR	1.2077	1.2112	1.1892	1.1917	1.1740	1.2115	1.1941
GBP	1.3937	1.4016	1.3777	1.3841	1.3630	1.4035	1.3845
JPY	106.56	108.63	106.35	108.34	107.15	110.52	108.23
CHF	0.9096	0.9318	0.9069	0.9309	0.9200	0.9495	0.9285

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Commodities

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JPY	106.56	108.63	106.35	108.34	107.15	110.52	108.23
CHF	0.9096	0.9318	0.9069	0.9309	0.9200	0.9495	0.9285