

California Gov. Gavin Newsom, (center), speaks during a news conference as containers are stacked up in the yards at the Port of Long Beach in Long Beach, California. (AP)



### LA, Long Beach ports delay fines for backlogged cargo

The Los Angeles-Long Beach port complex will delay fining shipping companies that let cargo containers stack up at terminals. The reprieve comes because of early compliance by companies in clearing cargo since the penalties were approved last month, the Southern California News Group reported.

The fines were set to begin Monday as a way to help alleviate a backlog of ships that has interrupted the global supply chain. Now they won't be charged until

at least Nov. 22.

The logjam prompted the Biden administration to allow the port complex to operate 24 hours a day to try to get goods unloaded and out to consumers as the Black Friday and Christmas holiday season approaches.

"We're encouraged by the progress our supply chain partners have made in helping our terminals shed long-dwelling import containers," Port of Long Beach Executive Director Mario Cordero said.

Port of Los Angeles Executive Director Gene Seroka said there had been "significant improvement" in clearing out containers over the past weeks.

For now, the ports will monitor the docks to see how much improvement they can get without having to levy the fines.

Since the fines were announced on Oct. 25, the twin ports have seen a 26% decline in old cargo on the docks, the ports said. (AP)

### Market Movements

21-11-2021

	Change	Closing pts		Change	Closing pts
JAPAN	-	Nikkei	+147.21	29,745.87	
PAKISTAN	-	KSE 100	+378.91	46,489.41	
SAUDI	-	Tadawul	-224.51	11,485.94	
UK	-	FTSE 100	-32.39	7,223.57	
EUROPE	-	Euro Stoxx 50	-27.23	4,356.47	
UAE	-	DFM	-7.35	3,257.79	
EGYPT	-	EGX 30	-64.88	11,273.11	
PHILIPPINES	-	PSEi	-18.77	7,280.57	
INDIA	-	Sensex	-372.32	59,636.01	
SINGAPORE	-	Straits Times STI	-4.68	3,232.34	

# Business

### New edition of program part of 'Kafa'a Initiative'

## CBK launches certified Shari'ah auditor program

KUWAIT CITY, Nov 21, (KUNA): The Central Bank of Kuwait on Sunday launched the the Fourth Round of the "Certified Shari'ah Auditor" Program in an effort to enhance governance of (the Islamic) Shar'iah (law) supervision in Islamic banks in Kuwait and reinforce Shari'ah-compliant auditing in such banks.



Dr. Mohammad Al-Hashel, CBK Governor

The CBK organized the new edition of the program as part of "Kafa'a Initiative" – launched by the CBK in collaboration with Kuwaiti banks and managed by the Institute of Banking Studies (IBS).

In a statement Dr. Mohammad Y. Al-Hashel, the CBK Governor and the IBS Chairman, said the program aimed at strengthening auditing in the Islamic Shari'ah-compliant financial institutions, particularly in light of the changes in the Islamic banking sector and the banking industry in general.

Dr. Al-Hashel added that the program was organized to meet the need for more qualified resources in the field of Shari'ah audit.

He noted 100 Certified Shari'ah auditors graduated in past sessions, after presenting all requirements to obtain this certificate, which has become mandatory for practicing Shari'ah audit work on CBK-and Capital Markets Authority (CMA)-regulated Islamic banking and financial entities.

The Governor added that developing technical and professional qualified cadres in financial, economic and banking sectors in Kuwait, including Islamic Shari'ah-compliant financial and banking services, is a strategic direction of the CBK, CMA and Centre for Islamic Economic (CIE).

Therefore, the CBK is keen to support the banking and financial sectors in Kuwait, with highly trained and qualified cadres in the areas necessary

for the banking system's work, and develop "human capital" capable of pushing the banking industry in Kuwait to further development and leadership.

On December 20, 2016, the CBK issued instructions regarding "Shari'ah Supervisory Governance in Kuwaiti Islamic Banks", including a set of elements regulating the governance of Shari'ah supervision, and the general requirements of the governance of Shari'ah supervision, its principles, roles of the board of directors, executive management and the Shari'ah Supervisory Board, internal and external Shari'ah audit, scope and objectives of the Shari'ah audit as well as required conditions and qualifications.

The certificate of the Certified Shari'ah Auditor is one of the mandatory requirements for the entities subject to the supervision of the CBK and CMA, which are compatible with Islamic Shari'ah.



CEO Elon Musk departs from the justice center in Wilmington, Delaware, Tuesday, July 13, 2021. Musk is selling more Tesla shares than he needs to pay current tax obligations, and experts say he's either converting part of his fortune from stock to cash, or he's saving for bigger tax bills that will come due next year. As of early Wednesday, Nov 17, Musk had sold roughly 8.2 million shares in the electric car and solar panel maker in the past nine days, worth a total of just over \$8.8 billion. (AP)

## Musk sells more shares than needed to pay current tax bill

DETROIT, Nov 21, (AP): Elon Musk is selling more Tesla shares than he needs to pay current tax obligations, and experts say he's either converting part of his fortune from stock to cash, or he's saving for bigger tax bills that will come due next year.

As of early Wednesday, Musk had sold roughly 8.2 million shares in the electric car and solar panel maker in the past nine days, worth a total of just over \$8.8 billion.

Of those, Musk sold 2.8 million shares worth about \$3 billion specifically to pay taxes on three tranches of stock options that he exercised this week, according to filings with the US Securities and Exchange Commission. That means he has sold roughly \$5 billion more in shares than he needs at present.

Under a compensation plan from 2012, Musk has options to buy 26.4 million shares. The options expire next year, and the tax bill will come due. Wedbush analyst Daniel Ives estimates the bill to be \$10 billion to \$15 billion, depending on the stock price. Musk's options so far allowed him to buy shares at \$6.24 each, and the stock is selling for around \$1,080.

Erik Gordon, a University of Michigan business and law professor, questioned why Musk would sell that many shares now to pay obligations that come due next year. He said accruing for future tax liabilities makes sense only if

Musk expects the stock price to drop.

"If you think the stock is going to go up, or if you think the stock is going to stay the same, you wouldn't be selling extra shares," he said.

On Nov. 6, Musk asked his 60 million Twitter followers if he should sell some of his Tesla stock. "Much is made lately of unrealized gains being a means of tax avoidance, so I propose selling 10% of my stock," he wrote. According to Musk, 58% of those who responded said yes.

Musk also conceded his wealth is tied up in stock, tweeting that he doesn't get a cash salary or bonus from anywhere. "I have only stock, thus the only way for me to pay taxes personally is to sell stock," he wrote.

Musk started selling on Monday, and as of Wednesday, he had liquidated about 5% of his holdings. His federal tax obligations could be as high as 40% on proceeds from some of the sales, said Brad Badertscher, an accounting professor at the University of Notre Dame.

Musk could have cut his tax bill on the options in half if he had exercised the options and waited a year to sell the shares, Badertscher said. That's because with an immediate sale, the gain is taxed as ordinary income. In a year, Musk would pay the much lower capital gains rate, he said.

## ECB not adding to pinch with rate hike – Lagarde

'High oil and gas prices hitting consumers hard across Europe'

FRANKFURT, Germany, Nov 21, (AP): The head of the European Central Bank warned that high oil and gas prices are hitting consumers in the 19 countries that use the euro harder than in other major economies and underlined that the bank won't add to the squeeze by raising interest rates anytime soon.

Christine Lagarde's message that it's "highly unlikely" the bank will increase borrowing rates from record lows next year comes as other central banks around the world, including the U.S. Federal Reserve, are beginning to withdraw extraordinary stimulus measures that propped up their economies during the coronavirus pandemic.

The European Central Bank sees higher consumer prices as stemming from transitory factors that "are likely to fade" in coming months, Lagarde said in the text of a speech delivered Friday at the

Frankfurt European Banking Congress. Those include high oil and gas prices and shortages of raw materials and parts as businesses struggle to meet stronger demand for goods.

"We must not rush into a premature tightening when faced with passing or supply-driven inflation shocks," Lagarde said.

Central banks typically raise interest rates to cool off larger-than-desired price increases, leading to higher mortgage payments and more expensive loans. But the bank sees inflation falling to 1.5% by 2023, below its target of 2%.

Lagarde said recently higher oil and gas prices would weigh more on consumer spending in the eurozone than in other major economies because Europe is an energy importer. She said raising rates or cutting other stimulus efforts now would only increase the squeeze on household incomes from inflation.

"At the same time, it would not address the root causes of inflation, because energy prices are set globally and supply bottlenecks cannot be remedied by the ECB's monetary policy," she said.

Annual inflation hit 4.1% in October, the highest since 2008, with 2.2 percentage points of that from energy prices. The bank's stimulus is aimed at keeping borrowing costs for companies low to promote



President of European Central Bank Christine Lagarde speaks during a press conference following the meeting of the governing council in Frankfurt, Thursday, Oct. 28, 2021. On Friday, Nov. 19, 2021, Lagarde warned that high oil and gas prices are hitting consumers in the eurozone harder than in other major economies and underlined that the central bank won't add to the squeeze on household incomes by raising interest rates anytime soon. (AP)

hiring and economic activity.

Lagarde said that despite short-term challenges, the eurozone should reach pre-pandemic levels of output by the end of this year. It grew 2.2% in the third quarter from the previous quarter.

It's expected to announce at its

Dec. 16 meeting how it will phase out its 1.85 trillion euro (\$2.1 trillion) bond purchase stimulus that is slated to expire at the end of March. Analysts say the purchases will likely not end abruptly but could be transferred at least in part to another stimulus program.

### Survey shows remarkable confidence for a travel restart

## Chinese travelers are flying high again



A security guard passes by the Alibaba booth at a trade show in Beijing, China, Sept. 7, 2021. Chinese tech giants including Alibaba Group and Tencent Holdings were fined Saturday, Nov. 20, for failing to report corporate acquisitions, adding to an anti-monopoly crackdown by the ruling Communist Party. (AP)

### China fines tech giants over anti-monopoly violations

Chinese tech giants including Alibaba Group and Tencent Holdings were fined Saturday for failing to report corporate acquisitions, adding to an anti-monopoly crackdown by the ruling Communist Party.

The companies failed to report 43 acquisitions that occurred up to eight years ago under rules on "operating concentration," according to the State Administration for Market Regulation. Each violation carried a penalty of 500,000 yuan (\$80,000), it said.

Beijing has launched anti-monopoly, data security and other crackdowns on tech companies since late 2020. The ruling party worries the companies have too much control over their industries and has warned them not to use their

dominance to gouge consumers or block entry to new competitors.

Other companies fined in the latest round of penalties include online retailers JD.com Inc. and Suning Ltd. and search engine operator Baidu Inc. The acquisitions dating back to 2013 included network technology, mapping and medical technology assets.

The companies "failed to declare illegal implementation of operating concentration," the regulator said on its website. Alibaba, the world's biggest e-commerce company by sales volume, was fined \$2.8 billion in April for practices that regulators said suppressed competition. Meituan, a food delivery platform, was fined \$534 million on Oct. 8. (AP)

BEIJING, Nov 21, (Agencies): Chinese travelers are leading the airline travel recovery, with 96% intending to travel, according to a new survey by Cirium, the aviation analytics company. 81% of respondents say they plan to fly at least once within the next 12 months and 50% plan to fly by this autumn. Of those planning to travel, 73% stated it was for leisure with only 24% planning business travel.

The pent-up demand is also reflected in China's passenger traffic, which is showing signs of a strong recovery. As of September 2021, China traffic was at 87% of 2019 levels – way ahead the rest of Asia (42%). The survey revealed that two thirds (66%) of Chinese travelers have taken a domestic flight since the start of the pandemic. Cirium schedules data reveal domestic travel in Q4 is primed to outpace pre-pandemic levels, growing by some 15% compared to Q4 2019.

Following months of restrictions aligned to China's Zero-COVID policy, pent-up demand for a major return to international and regional travel is palpable.

More than half (61%) of respondents shared that they are ready to travel out of mainland China once borders are open, with Southeast Asia as the region of choice, followed by Europe, Australia/New Zealand and East Asia.

Jeremy Bowen, CEO at Cirium said: "The Cirium survey highlights the Chinese traveler's confidence in flying domestically and pent-up demand when it comes to flying internationally. There is a clear preference for Southeast Asia, so the challenge faced is to bring back travel to other markets such as East Asia, which was a previous top destination."

"The results also show the importance of health and safety measures, which will need to be in place to increase the confidence in traveling internationally from China." While Chinese travelers show confidence in flying again, 35% of those surveyed claimed that they would be less likely to travel by air, post-pandemic. They were principally concerned over health, hygiene and safety.

Almost all of the respondents (96%) support the mandatory requirement to wear a face mask when travelling by air. And over 85% support the introduction of health passports as a prerequisite to flying, and the use of apps that promote touchless travel.

When choosing an airline, respondents placed importance on mandatory mask wearing (66%), improved cleaning processes in place (65%) and proof of negative pre-departure COVID-19 test (62%).

Chinese travelers were divided when it came to the time spent at the airport. 53% of travelers claimed they will reduce the amount of time they spend at airports, compared to 21% who will look to increase their time at the airport as they feel safer with the COVID-19 safety measures in place.