



A man walks past electronic board displaying stock prices at the Indonesia Stock Exchange in Jakarta, Indonesia, Thursday, Oct 7, 2021. (AP)

**UK bank NatWest faces fine over money laundering failures**

British bank NatWest faces a potentially hefty fine after admitting Thursday to three charges relating to anti-money laundering failures. The case, which was heard at Westminster Magistrates' Court, related to 365 million pounds (\$495 million) deposited into the account of century-old jeweler Fowler Oldfield between 2012 and 2016. Fowler Oldfield was based in the north England city of Bradford, before it was shut down following a police raid in 2016. The Financial Conduct Authority brought

the case, the first time the regulator has pushed through a criminal prosecution under money laundering regulations introduced in 2007. No individuals were charged as part of the proceedings. The FCA's prosecutor, Clare Montgomery, told the magistrates court that when Fowler Oldfield was taken on as a client by NatWest, its predicted turnover was said to be an annual 15 million pounds. However, it deposited 365 million pounds over the space of almost five years. She said that at its height, Fowler Oldfield deposited up to

1.8 million pounds a day. NatWest, which remains majority-owned by the British government after it was bailed out at the height of the global financial crisis in 2008 under its then name of the Royal Bank of Scotland, apologized for its failures but insisted it was putting measures in place to avoid a repeat. "We deeply regret that NatWest failed to adequately monitor and therefore prevent money laundering by one of our customers between 2012 and 2016," said chief executive Alison Rose. (AP)

# Shortages causing 'bottleneck' recession for German industry

Business optimism lower for third month in a row

## PM credits vaccines for Italy's recovery

MILAN, Oct 9, (AP): Italy's vaccination campaign is a key factor behind its economic recovery from the pandemic, Premier Mario Draghi said after signing a document that forecast a higher-than-expected 6% growth this year. Draghi called vaccinations "an ingredient that favored this recovery of the Italian economy." "The fact that you can work with tranquility at a business, that you can travel around, that children and students have returned to school ... this according to me is the fundamental ingredient for growth, which we must protect," he said. Italy has vaccinated 78.4% of its eligible population who are 12 years old and over. Beginning on Oct. 15, health

passes will be required for people to access all workplaces. The pass shows proof of vaccination, a recent negative test or proof of recent recovery from the virus and it's needed for indoor leisure activities like theaters, museums and dining, as well as for long-distance domestic travel. Italian budget figures initially projected 4.5% growth, after a contraction of 9% in 2020 when Italy's economy was devastated by draconian lockdowns to contain the pandemic. The Italian government boosted the 2021 forecast to 6% thanks to strong exports, the impact of government measures to support the economy, improved consumer and business trust and a strong reduction in new virus cases, Economy Minister Daniele

Franco told reporters. The growth trend appears set to continue, with 4.2% increase in GDP expected in 2022. "There is trust in Italy, among Italians and from the rest of the world toward Italy. That is the other important news," Draghi said. Any new measures taken by the government must "contribute to a growth that is equitable and sustainable and durable," he said. Public debt is projected to drop to 153.5% of GDP this year, from 155.6% last year, which Draghi said was the "first quantitative confirmation" of what central bankers have long contended: that growth is the principal way to attack high public debt.

## FRANKFURT, Germany, Oct 9, (AP): Shortages of semiconductor chips and other raw materials are continuing to hit Germany's manufacturers, as bottlenecks leave companies struggling to fill orders from a rebounding global economy.

Widespread friction in supply chains sent a closely watched index of German business optimism lower for the third month in a row in September. The Ifo institute index fell to 98.8 points from 99.6 in August. "The problems with obtaining raw materials and intermediate goods is holding back the German economy," the Munich-based institute said Friday. "Industry is experiencing a bottleneck recession."

The German economy, Europe's largest, has rebounded sharply from the depths of the pandemic shutdowns in the first part of 2020 with gross domestic product in the second quarter marking a 9.4% increase over the same quarter last year.

**Short**

But major manufacturers such as auto firms Daimler, BMW and Volkswagen have all experienced trouble getting the semiconductor chips they need for today's cars stuffed with electronic features such as advanced driver assistance. Other materials needed by businesses, including steel, construction materials and plastics, are also in short supply.

Truck maker Traton Group, which is majority owned by Volkswagen, said this week that sales in the third quarter would be "significantly lower than planned" as the company had to resort to steps such as pulling control units out of unsold vehicles and installing them in vehicles that were on order.

Traton cited rising COVID-19 cases in Malaysia and the lockdown that followed as a factor. Malaysia is an important hub since several chip companies that supply the auto industry have production there, the truck maker said.

The manufacturing troubles are a reversal of fortune as services businesses reported improved outlooks as restrictions on movement and activity are eased amid higher levels of vaccination.

Earlier in the pandemic, services took the biggest hit from the pandemic as restaurants and tourist businesses saw drastic reductions in customer traffic or were ordered to close.

Michael Tran at Capital Economics said that the Ifo report was "further evidence that Germany's recovery is losing steam." That said, he foresaw strong overall GDP growth of around 3% in the current, third quarter over the second quarter, reflecting primarily the low level of activity at the start of the second quarter.

## Red tape looms

# Cuba govt opens its door to more private business

HAVANA, Oct 9, (AP): Opening a small business is a bureaucratic headache in many parts of the world. In Cuba, it's an adventure in largely unknown territory.

Most sorts of private businesses have been banned for more than 50 years, even if hundreds of thousands of Cubans in recent years have taken advantage of reforms that opened up cracks for small private enterprise in the once-solid wall of the state-dominated socialist economy.

Now, after five years of waiting, a new legal system took effect on Sept. 20 that could greatly expand the scope of private businesses, and give them greater legal certainty in efforts to help an economy in crisis.

Cautious or enthusiastic, business executives are concerned about an inefficient credit system, the requirement to have U.S. dollars that the state itself does not sell and limitations on hiring professional services.

"Knowing that I can have a company, a business in Cuba, in my country, invest, take risks in the markets and that this is supported by law ... is peace of mind for me," said Carlos Gómez, the 35-year-old owner of the audiovisual production company Wajiros Films.

The company has made at least 35 films since its opening in 2017, short, long and international co-productions, all under the label of "artistic creation collective" but without a legal status. That carries negative consequences such as the impossibility of having bank accounts, the lack of distinction between business and family assets, and the impossibility of importing equipment.

At the end of August, Cuban authorities published in the Official Gazette about 20 norms that allow and regulate small and medium-sized enterprises (SMEs), which were eliminated in 1968 in a revolutionary offensive against the last vestiges of private property.

At that time, warehouses, bars or repair shops were closed or absorbed by the state, which struggled to manage those businesses efficiently. But the government legalized a tightly limited - but legal -- form of self-employment in the early 1990s to cope with the crisis caused by the collapse of Soviet aid. It taxed and squeezed, but never eliminated the sector.

**Uneasy**

Cuban leaders had always been uneasy with private economic activity, previously describing it as an evil that was necessary to provide jobs and services that the state could not during hard times. The government had also complained about inequality associated with self-employment, since a private worker could earn much more than a state worker.

But as of 2010, former President Raúl Castro recognized the lack of productivity and slightly opened the economy to individual initiative. Some businesses ended up having more than 50 employees despite the fact that they were officially "self-employed."

In 2019, before the pandemic and the effects of the US sanctions that suffocated the economy, there were about 600,000 "self-employed" workers, most of them linked to the tourism market.

"One was tied to a 'self-employment' license that had many limitations. With the legalization (of SMEs), new possibilities and perspectives are opened. Among these is the recognition of several partners in a business and legal status," said Lauren Fajardo,

designer and co-owner of Dador, a clothing workshop created by her and two friends that employed about 10 people. Like hundreds of other initiatives, the business has been paralyzed by the pandemic.

The new regulations establish that SMEs - a mandatory status for companies with more than three workers - will be established as "limited liability" companies that must be approved by the Ministry of the Economy.

They may have up to 100 employees and they will be allowed all activities except those that the State reserves as strategic - education, health, defense, waste management and mining, among others.

**Limitations**

There will be limitations on professional services. The establishment of companies of this type or their independent exercise is not allowed, so architects, engineers or lawyers are not authorized to set up law firms but they can be employed as staff of SMEs.

"The positive thing about these rules is that they arrived... I think it is time to think about how to take advantage of it and that these really contribute to the growth of the country," economist Omar Everleny Pérez said.

Experts and businessmen had asked for the laws for more than five years. They were published in the midst of a crisis with an 11% drop in GDP in 2020, a shortage of basic goods and a growth of the black market. Social tension reached such a point that in July there were unusual and massive protest demonstrations on the island.

Now that they have laws, entrepreneurs have begun to evaluate their impact. The AP spoke with more than a dozen of them and some chose not to give their names to fully analyze their concerns. One of the questions among those who have established businesses, for example, is how the capital or machinery will be certified, since many were acquired irregularly or rescued from abandoned state workshops.

Many wonder how the credit system in Cuban pesos will operate if raw materials are acquired in dollars, or how goods such as vehicles that the state does not offer or allow to bring from abroad will be obtained, or whether employees will be able to have unions.

One aspect that causes concern is that the law allows for Cuban citizens and permanent residents in the country to open limited liability companies, or LLCs. But it excludes emigrants who in many cases are the true owners of enterprises that are already operating, or owners of the capital necessary to form an SME.

In addition, the authorities reported that what will open on Sept. 20 is a "call" to register LLCs and cooperatives but by sectors, starting with those in food production or with a technological base. Many entrepreneurs wonder how long they will have to wait for an appointment if they are outside the areas considered key by the government, despite the fact that their initiatives will generate jobs.

"People are seeking to understand, understand the context and above all to find opportunities to promote projects," said Oniel Díaz, co-founder of the Auge consultancy.

Díaz held advisory talks with business people to discuss the law. During the meetings, he noted a change that could show the future of SMEs in Cuba: given that tourism is paralyzed and the only thing that can supply customers is the national market, there could be a reconfiguration of the sector after the pandemic.

## Burgan Bank Offers its Youth Customers an Exclusive Invitation to the Prescreening of "Venom" at Grand Cinemas



Burgan Bank announced that it is offering its Youth customers the chance to watch the prescreening of the new movie "Venom" for free at Grand Cinemas movie theatre in Al Hamra Luxury Centre.

The movie screening organized in collaboration with Grand Cinemas will be held on Wednesday October, 13th, 2021

at 8 PM. Burgan Youth account customer can book their free prescreening seats through Grand Cinemas box office at Al Hamra Centre by simply presenting their Youth ATM card starting today. The seats are limited, and each customer is entitled to 2 free tickets.

Burgan Bank strives to continuously reward its Youth account customers with

exclusive offers and promotions at their favorite trendy and popular brands and outlets, in addition to great lifestyle and entertainment experiences.

To learn more about Burgan Bank's latest offers, products and services, you can visit any of the bank's branches or Burgan's Instagram account @BurganBankKuwait.

## Reinforcing the Bank's pledge towards preserving and developing its employees

### ABK promotes physical and mental wellbeing for employees through Collaboration with Fawzia Sultan Healthcare Network

In its continuous efforts to promote physical and mental wellbeing amongst its employees, Al Ahli Bank of Kuwait (ABK) in alignment with World Mental Health Day announced its collaboration with Fawzia Sultan Healthcare Network program. The program will provide a 'Mental Health & Wellbeing Workshop' and an Employee Assistance Program (EAP) which is designed to achieve a sustainable health regimen, supported by a systematic approach to enhance employees' lives in and out of the workplace. The

program also aims to assist employees with personal and work-related issues that may impact job performance, health, mental and emotional wellbeing.

As part of the program, sessions have been subsidized, and exclusive discounts have been applied for counselling sessions, Psychoeducational Assessment, Neuropsychological Assessments, IQ/ Cognitive Assessment, and Personality Assessments.

Due to the pandemic, unprecedented challenges



**Afrah Al-Arbash** negatively impacted the physical and mental health of businesses and employees alike, shedding light on the



importance of a healthy workplace and positive environment.

Afrah Al-Arbash, Acting GM - Human Resources Division, said: "Through programs such as the Mental Health & Wellbeing Workshops and Employee Assistance Program (EAP), ABK is

reaffirming its employee-first approach commitment as well as reinforcing the Bank's pledge towards preserving and developing its employees through recognition and support".

For more information kindly visit [eahli.com](http://eahli.com)

## Burgiss and Caissa complete 'merger'

HOBOKEN, Oct 9, (AP): The Burgiss Group, LLC ("Burgiss"), a Hoboken, New Jersey based data and analytics provider for the private capital industry, announced it has completed the merger with Caissa, LLC ("Caissa"), a leading provider of a multi-asset class analytics platform. The merger was originally announced on September 13, 2021.

Combined, the company has over 450 employees worldwide and is poised to meet the challenges institutional investors face in managing asset allocation, liquidity, exposures, performance, and risk while addressing compliance, ESG, and climate concerns. "We celebrate this milestone of joining forces with Caissa and bringing our clients the best solutions across data, technology, and analytics," said James Kocis, Founder and CEO of Burgiss.

"As a combined company, we are well-positioned for the exciting opportunities ahead. We look forward to our joint team accelerating innovation across data and tools supporting investment decisions," said David Hsu, Co-Founder of Caissa.

Burgiss is the global provider of investment decision support tools for private capital. Along with deep expertise in performance and risk measurement, our analytics platform and research-quality data help investment teams make better investment decisions. We serve over 1,000 firms in 36 countries, and our data covers over \$8 trillion in private capital.

Caissa is the leading portfolio analytics software provider for endowments, foundations, family offices, pension funds, and outsourced CIOs. Founded in 2010, the Caissa team is committed to advancing technology solutions for institutional allocators. Caissa's client base consists of asset owners representing over \$1.7 trillion in assets under management.