

Utilities output drops 3.6% while mining production slips 2.3%

US industrial output falls 1.3% as effects from Ida linger

China's economic growth sinks

Factory output and investment in construction weaken

BEIJING, Oct 18, (AP): China's economic growth is sinking under pressure from a construction slowdown and power shortages, prompting warnings about a possible shock to its trading partners and global financial markets.

The world's second-largest economy grew by a weaker-than-expected 4.9% over a year ago in the three months ending in September, down from the previous quarter's 7.9%, government data showed Monday. Factory output, retail sales and investment in construction and other fixed assets all weakened.

Manufacturing has been hampered by official curbs on energy use and shortages of processor chips and other components due to the coronavirus pandemic. Construction, an industry that supports millions of jobs, is slowing as regulators force developers to cut reliance on debt that Chinese leaders worry is dangerously high.

"Ripple effects to the rest of the world could be significant" due to weaker Chinese demand for raw materials, said Mo Ji of Fidelity International in a report. "Even developed markets, including the U.S., would not be immune to a significant tightening in global financial conditions as a result of a negative China growth shock accompanied by financial stress."

Compared with the previous quarter, the way other major economies are measured, output barely grew in the July-September period, expanding by just 0.2%. That was down from 1.2% in the April-June period and one of the past decade's weakest quarters.

The slowdown adds to pressure on Beijing to prop up activity by easing borrowing controls and spending more on building public works. But forecasters said even if that happens, activity will weaken before policy changes take effect.

"Growth will slow further," Louis Kuijs of Oxford Economics said in a report.



Workers assemble truck engines at a subsidiary factory of the China National Heavy Duty Truck Group in Hangzhou in east China's Zhejiang province, Monday, Oct 18, 2021. China's economic growth is sinking under pressure from a construction slowdown and power shortages, prompting warnings about a possible shock to its trading partners and global financial markets. (AP)

Chinese leaders are trying to steer the economy to more sustainable growth based on domestic consumption instead of exports and investment and to reduce financial risk.

Construction and housing sales, an important source of demand for steel, copper and other industrial imports, have slowed since regulators ordered developers to reduce their debt levels.

One of the biggest, Evergrande Group, is struggling to avoid defaulting on \$310 billion owed to banks and bondholders. That has fueled fears about other developers, though economists say the threat to global financial markets is small.

Factories in some provinces were ordered to shut down in mid-September to avoid exceeding official goals for energy use and energy intensity, or the amount used per unit of output. Some

warned deliveries of goods might be delayed, raising the possibility of shortages of smartphones and other consumer products ahead of the Christmas shopping season.

Factory output barely grew in September, expanding by only 0.05% compared with August. That was down from the 7.3% growth for the first nine months of the year.

Private sector forecasters have cut their growth outlook this year for China, though they still expect about 8%, which would be among the world's strongest. The ruling Communist Party's official target is "more than 6%," which leaves Beijing room to keep its controls in place.

The near-term outlook "remains difficult," said Rajiv Biswas of IHS Market in a report. Real estate also is suffering from "fears of contagion to some other property developers."

30-year loan at 3.05%

Average mortgage rates in US 'jump'

WASHINGTON, Oct 18, (AP): Average long-term mortgage rates jumped this week, with the benchmark 30-year loan again breaching 3%.

Mortgage buyer Freddie Mac reported that the average rate for a 30-year mortgage rose to 3.05% from 2.99% last week. That is its highest level since April, when it peaked at 3.18%. The key rate stood at 2.81% this time last year.

The rate for a 15-year loan, a popular option for homeowners refinancing their mortgages, rose to 2.30% from 2.23% last week.

The increase in mortgage rates came amid continued inflation pressures as the coronavirus pandemic lingers. The government reported that inflation at the retail level rose 0.4% in September, with its consumer price index up 5.4% over the past 12 months - matching the fastest pace since 2008.

The jump in inflation this year reflects higher prices for food and energy and a number of other items from furniture to autos, as the pandemic has snarled supply chains and demand has outstripped supply.

The number of Americans applying for unemployment benefits fell to the lowest level since the pandemic began early last year, a sign that the job market is still improving even as hiring has slowed in the past two months. Jobless claims dropped last week by 36,000, to 293,000, the second straight drop, the Labor Department said.

SILVER SPRING, Maryland, Oct 18, (AP): US industrial production fell 1.3% in September, much more than expected as the lingering effects of Hurricane Ida continue to stymie activity.

The Federal Reserve reported Monday that nearly half, or 0.6%, of the overall decline in total industrial production was attributable to the hurricane.

It was the worst showing since February's 3.1% decline, when severe winter storms hammered much of the country, disrupting a wide swath of manufacturing activities from autos to chemical plants.

Industrial production covers manufacturing, utilities and mining. The government said manufacturing output fell 0.7%, dragged down by a 7.2% decline in motor vehicles and parts as shortages of semiconductors continued to thwart the industry. Outside of the auto industry, factory output declined 0.3% the government said.

Utilities output dropped 3.6% while mining production, which includes crude oil extraction, fell 2.3%.

In a note to clients, economist Daniel Silver of J.P. Morgan said the September data disappointed, "particularly in the manufacturing sector where it looks clear that supply chain issues are continuing to weigh on activity."

Capacity utilization for the entire industrial sector fell 1% in September to 75.2%, about 4.4% below its average.

Japan urges boost in crude oil production

TOKYO, Oct 18, (KUNA): Japanese Prime Minister Fumio Kishida said Monday Japan would urge major oil-producing countries to boost output amid the recent surge in crude oil prices and to take appropriate action supporting affected industries.

"We will keep an eye on movements in the crude oil market and its impact on domestic industry and Japanese people's livelihoods," Kishida told reporters after convening an emergency meeting of relevant ministers to discuss the issue.

The premier also said he has instructed the ministers to cooperate with the International Energy Agency to convince major oil-producing countries to increase output, as well as to take necessary measures swiftly for domestic industries that would be negatively affected.

Presenting valuable cash prizes to the winning teams as part of its keenness to contribute meaningfully to the local community

Gulf Bank Launches First Padel Tournament for Local Youth

Ahmed Al-Amir: We were pleased with the success of Gulf Bank's padel tournament, which we organized for 48 teams of local youth. The tournament is one of many initiatives we have planned under 'GB Community', a set of activities through which Gulf Bank is keen to engage with the local community and general public.



Reem Hasan

On Friday and Saturday, Gulf Bank held a padel tournament at the Oasis Courts in Bneid Al-Gar for a group of young male and female fans of the sport which has quickly gained worldwide popularity. The Bank launched the padel tournament as part of its keenness to engage directly with members of the local community by organizing fun-filled events in which both young men and women can participate.

The tournament took place on Friday and Saturday, from 4:00 pm to 10:00 pm each day, with a total of 48 teams participating, of which 16 were female doubles. The tournament was open to all those who wished to participate, including both customers and non-customers of Gulf Bank. At the end of the tournament, Gulf Bank presented cash prizes to the winners, with the winning team receiving KD 1,000, the second place winners receiving KD 500, and the third place winners taking home KD 300, in addition to trophies for all the players.

The first place male winners were Abdulrahman Al Awadhi and Dawood Hashem, second place winners were Hassan Al Ghareeb and Mohammad Al Qattan, and the third place prize was earned



Ahmed Al-Amir

many activities that Gulf Bank is planning for the future."

Gulf Bank's vision is to be the leading Kuwaiti Bank of the Future. The Bank is constantly engaging and empowering its employees as part of an inclusive and diversified workplace in recognition of every employee's role in delivering customer excellence and serving the community at large. With its extensive network of branches and innovative digital services, Gulf Bank is able to give its customers the choice of how and where to conduct their banking transactions, all while ensuring a simple and seamless banking experience. Gulf Bank is committed to maintaining a robust sustainability program at the community, economic, and environmental levels through sustainability initiatives that are strategically selected to benefit both the country and the Bank. Gulf Bank supports Kuwait Vision 2035 "New Kuwait" and works with various parties and stakeholders in service of the vision.

For more information on Gulf Bank's various initiatives and activities, customers can visit one of Gulf Bank's branches or log on to Gulf Bank's Online/Mobile Banking services.



by Abdulhameed Al Shatti and Ahmed qasem. On the females side, the first place winning team was Mariam Seraj and Dana Al Fulajj, the second place winners were Dana Khajah and Yasmeen Sultan, and the third place winners were Maryam Al Sadhan and Reem Al Ajeel.

Commenting on the tournament, the Assistant General Manager of Corporate Communications at Gulf Bank, Ahmed Al-Amir, said: "We were pleased with the success of Gulf Bank's padel tournament, which we organized for 48 teams of local youth. The tournament is

one of many initiatives we have planned under 'GB Community', a set of activities through which Gulf Bank is keen to engage with the local community and general

public. Our paddle tournament is one of many initiatives that Gulf Bank is keen to offer on an ongoing basis as part of our efforts towards community sustainability.

We would like to congratulate the teams that won the tournament, and we invite everyone to follow us on social media to keep up with, and participate in, our upcoming events."

Reem Hasan, Manager of Corporate Communications at Gulf Bank, added: "We are very proud to be the first establishment to organize a women's padel championship, in which 16 young female teams participated this year. We hope that they enjoyed the tournament, and we invite them to stay tuned and participate in the

