

**MegaPort announces expansion to Mexico**

MegaPort Limited, a global leading Network as a Service (NaaS) provider, announced plans to expand services to Mexico via a partnership with KIO Networks, the country's largest data centre provider. Cloud connectivity services to Microsoft Azure and Google Cloud are expected to be available in March 2022 to local enterprises via on-ramps from KIO Networks' data centres in Mexico City and Queretaro, subject to approvals. Customers of KIO Networks in Mexico will be able to access MegaPort's leading ecosystem of more than 700 enabled data centres worldwide and over 360 service providers, including 230+ cloud on-ramps from the world's leading clouds such as AWS, Google Cloud, Microsoft Azure, IBM Cloud, and Oracle Cloud. Businesses in Mexico can seamlessly and directly connect to cloud and IT services on a global level without the need to manage complex network infrastructure.

According to IDC, Mexico is the second largest market in Latin America when it comes to cloud adoption. In the report "IDC Latin America IT Investment Trends 2021," 39% of organisations in the region plan to invest in the cloud. In Mexico, Microsoft, AWS, and Oracle Cloud have all announced plans

for new cloud regions in the past year. The country is also the second largest data center market in Latin America, with the multi-tenant data center market growing at an expected 22 percent CAGR through 2025, according to an August 2021 report from 451 Research. KIO Networks has 40 state-of-the-art data centres across Mexico, Guatemala, Panama, Dominican Republic and Spain, as well as 11 edge facilities in Mexico. The company has over 20 megawatts of installed operational capacity. MegaPort's partnership with KIO Networks will bring strong value to local businesses in Mexico seeking a broad range of service providers and greater access to direct cloud connectivity as they increasingly adopt hybrid cloud and multicloud architectures. Businesses with global IT footprints will also be able to take advantage of MegaPort's presence in KIO Networks data centres in Mexico to connect to public clouds and other services on demand. The ability to provision IT backbone capacity between service regions, cloud regions, and data centres in near real-time via MegaPort's private Software Defined Network accelerates the growth of hybrid cloud and multicloud capabilities globally and supports data growth and localisation of mission-critical applications.

"KIO Networks is excited to offer our customers MegaPort's leading global Network as a Service platform as a quick and easy way to connect their businesses to cloud services for hybrid cloud and multicloud environments inside our data centres in Mexico," said Santiago Suinaga, Managing Director of KIO Networks. "We believe the partnership gives our customers the agility, flexibility, and scalability they need for their digital transformation initiatives to be successful." (Agencies)

Of all places this squatter settlement shouldn't exist, it's here: in Brazil's northernmost Roraima state that doesn't permit gold prospecting, inside one of the nation's Indigenous reserves where mining activity is illegal and on the flanks of this mountain - Serra do Atola - that traditional leaders of the Macuxi people hold sacred. Nevertheless, a recent visit by The Associated Press - at the invitation of local leaders from the Maturuca and Waromada villages - found the illegal mining site back up and running just months after authorities shut it down.

That the miners have returned in droves underscores the insatiable lure of gold and the fact they are being encouraged to keep up their work - including by the nation's president. Such relentless pressure is rekindling long-standing divisions in local communities here on the Raposa Serra do Sol reserve about the best path forward for their collective well-being. Some local leaders see gold mining and other extractive activities as a potential boon for the area that could bring jobs and investments in one of Brazil's poorest states. Others see the mining as defiling the land on the reserve by polluting the waters, stripping bare the land, as well as upending centuries-old cultural traditions.

# US stocks record 'worst' week since March 2020; Netflix dips



In this photo provided by the New York Stock Exchange, traders work on the floor, Friday, Jan. 21, 2022. Inflation fears and concerns about the impact of higher interest rates have prompted a cautious shift in the broader market after a solid year of gains in 2021. (AP)

## Investors fret over rising inflation, rate hike

**NEW YORK, Jan 22, (AP):** Stocks fell again on Wall Street Friday, capping off the worst weekly drop for the S&P 500 since the start of the pandemic.

Investors have grown increasingly worried about rising inflation and how aggressive the Federal Reserve might be in raising interest rates to tamp it down. Historically low rates helped support the broader market as the economy absorbed a sharp hit from the pandemic in 2020 and then recovered over the last two years.

The S&P 500 fell 84.79 points, or 1.9%, to 4,397.94. The benchmark index has now slipped three straight weeks to start the year. It fell 5.7% this week, its worst weekly decline since March of 2020 when the pandemic sent stocks into a bear market.

The Dow Jones Industrial Average fell 450.02 points, or 1.3%, to 34,265.37 and also fell for its third straight week.

The tech-heavy Nasdaq fell 385.10, or 2.7%, to 13,768.92. With investors expecting the Fed to begin raising rates as soon as its March policy meeting, shares in pricey tech companies and other expensive growth stocks have looked relatively less attractive. The index has fallen for four straight weeks and is now more than 10% below its most recent high, putting it in what Wall Street considers a market correction. The Nasdaq is down 14.3% from the record high set on Nov. 19.

"As always, once the volatility starts, investors pile on exacerbating the downward volatility," said Nancy Tengler, CEO of Laffer Tengler Investments.

Technology and communications stocks were among the biggest drags on the market Friday. Streaming video service Netflix plunged 21.8% after it delivered another quarter of disappointing subscriber growth. Disney, which has also been trying to grow its subscriber base for its streaming service, fell 6.9%.

Treasury yields fell sharply as investors turned toward safer investments. The yield on the 10-year Treasury fell to 1.76% from 1.83% late Thursday. The drop weighed on bank stocks, which rely on higher yields to charge more lucrative interest on loans. Wells Fargo fell 2.4% and Bank of New York Mellon dropped 4.6%.

Inflation fears and concerns about the impact of higher interest rates have prompted a shift in the broader market after a solid year of gains in 2021. Technology stocks and consumer-focused companies have fallen out of favor. Energy is the only S&P 500 sector showing a gain; household good makers and utilities, which are typically considered less-risky investments, held up better than the rest of the market.

Supply chain problems and higher raw materials costs have prompted companies in a wide range of industries to raise prices on finished goods. Many of those companies have warned investors that their profit margins and opera-

tions continue feeling the pinch in 2022. Rising costs have raised concerns that consumers will start to ease spending because of the persistent pressure on their wallets. The government's retail sales data for December showed an unexpected decline in spending.

The Fed is now expected to raise interest rates earlier and more often than it had previously signaled in order to fight rising inflation that threatens to derail a further economic recovery. The Fed's benchmark short-term interest rate is currently in a range of 0% to 0.25%. Investors now see a nearly 70% chance that the Fed will raise the rate by at least one percentage point by the end of the year, according to CME Group's Fed Watch tool.

"The market is working through digestion of how much monetary policy change will occur over the course of 2022," said Bill Northey, senior investment director at US Bank Wealth Management.

Investors will be watching the closely when Fed officials meet for their latest

policy meeting next week. Some economists are concerned the central bank has been too slow to act to fight inflation. Consumer prices rose 7% in December compared to a year earlier, the biggest increase in nearly four decades.

"In our view, the biggest near-term risk is right in front of us: that the Fed is seriously behind the curve and has to get serious about fighting inflation," economists at BofA Global Research led by Ethan Harris wrote in a report. "It has been a long time since markets have had to deal with a serious inflation-fighting Fed."

Investors have also been busy reviewing the latest round of corporate earnings, which could give them a better sense of how companies are dealing with persistent supply chain problems and higher costs.

Paint and coatings maker PPG Industries fell 3.1% after warning investors that it continues to grapple with high raw materials costs and supply chain problems. Surgical device maker Intuitive Surgical fell 7.9% after warn-

ing that the focus on COVID-19 cases is causing delays in performing other procedures.

Peloton rose 11.7% after the maker of exercise bikes and treadmills said fiscal second-quarter revenue would meet previous estimates.

Hong Kong-traded shares in e-commerce giant Alibaba fell 4.4% after a Chinese-made documentary suggested its financial arm might be implicated in a corruption probe.

The S&P/ASX 200 in Sydney dropped 2.3% to 7,175.80. South Korea's Kospi slid 1.1% to 2,830.82. Thailand's benchmark fell 0.5%.

In other trading, US crude oil lost \$1.61 to \$83.94 per barrel in electronic trading on the New York Mercantile Exchange. It shed 25 cents to \$85.80 on Thursday.

Brent crude oil, the basis for pricing international oil, lost \$1.43 to \$86.93 per barrel.

The US dollar fell to 113.83 Japanese yen from 114.10 yen late Thursday. The euro rose to \$1.1327 from \$1.1313.

## Announcement follows rejection of \$50B offer

### Unilever says won't raise bid for GSK unit

LONDON, Jan 22, (AP): Unilever, the maker of Vaseline skin care products and Dove soap, says it won't increase a 50 billion-pound (\$68.2 billion) offer for GlaxoSmithKline's consumer healthcare unit that was rejected last week.

London-based GSK said Saturday that the bid "fundamentally undervalued" the unit. The offer, which included 41.7 billion pounds in cash and Unilever shares valued at 8.3 billion pounds, was the latest of three unsolicited approaches from Unilever, GSK said in a statement.

Unilever responded late Wednesday, saying it wouldn't increase the bid.

"We note the recently shared financial assumptions from the current owners of GSK Consumer Healthcare and have determined that it does not change our view on fundamental value," London-based Unilever said in a statement.

After rejecting the Unilever offer, GSK said it remains focused on plans to spin off the consumer unit into a new independent company by the middle of this year. GSK Consumer Healthcare, which makes Sensodyne toothpaste,

Advil pain relievers and Centrum vitamins, was formed by the merger of GSK's consumer business with those of Novartis and Pfizer, which still holds a stake in the unit.

GSK Consumer Healthcare accounts for less than 30% of the parent company's total revenue, with the rest generated by pharmaceuticals and vaccines.

Shares of GSK rose as much as 5% on Monday after reports of the Unilever bid. The stock has declined over the past two days, dropping 2% to 1,666.4 pence on Wednesday in London trading.

## 'The president is most to blame'

### Illegal gold mining stokes Indigenous 'rifts' in Brazil

RAPOSA SERRA DO SOL INDIGENOUS TERRITORY, Brazil, Jan 22, (AP): The mining encampment that stretches across a mountainside in Brazil's Amazon is dotted with plastic tarpaulin covers. Under them, dozens of men toil in rocky pits, excavating sacks of ore to be transported by truck. Gold will be extracted from the ore.

Nevertheless, a recent visit by The Associated Press - at the invitation of local leaders from the Maturuca and Waromada villages - found the illegal mining site back up and running just months after authorities shut it down.

#### Lure

That the miners have returned in droves underscores the insatiable lure of gold and the fact they are being encouraged to keep up their work - including by the nation's president.

Such relentless pressure is rekindling long-standing divisions in local communities here on the Raposa Serra do Sol reserve about the best path forward for their collective well-being. Some local leaders see gold mining and other extractive activities as a potential boon for the area that could bring jobs and investments in one of Brazil's poorest states. Others see the mining as defiling the land on the reserve by polluting the waters, stripping bare the land, as well as upending centuries-old cultural traditions.

An AP investigation found that illegal landing strips and unauthorized airplanes have helped miners carry out tons of gold mined on Indigenous lands. The gold ends up in the hands of brokers, some of whom are under investigation by authorities for receiving gold from illegal mining. The gold is refined in Sao Paulo before becoming part of the global supply chain where it is used in products such as smartphones and computers.

#### Operations

Last March, the Amazon military command, federal police and environmental agencies raided mining operations at Serra do Atola mountain and found 400 people, excavation pits, precision scales and mercury for gold processing. Tribal leaders had previously filed complaints to prosecutors of bars, drugs and prostitution at the sacred site's base.

The mining site is just one of several. The number of wildcat miners at sites across the reserve has surged to some 2,000, according to Edinho Batista Macuxi, general coordinator of Roraima's Indigenous Council, the state's primary representative body that says it represents some 30,000 people.

Macuxi said that the illegal mining operations on the reserve were financed by local non-Indigenous business owners and politicians who were the owners of the equipment needed to extract the gold from the ore. A 2020 Federal Police raid on the reserve - in which four tribespeople were arrested - seems to support those allegations. The police found the gold illegally extracted would be split three ways: a quarter would be paid to the owners of equipment used to extract the gold, 4% to the local community where the mining operations were active, and the rest to the miners who had extracted the gold.

#### Attributes

Macuxi attributes the resilience of the illegal activity to the fiery, pro-mining rhetoric of Brazil's far-right President Jair Bolsonaro. The president has sought to legalize prospecting on reserves across the country, saying they are underutilized and should bring socioeconomic gains to the impoverished region.

"The president is most to blame," Macuxi told the AP. "There is great incentive coming directly from the state."

Bolsonaro's endorsement of mining resonates with those locals who support greater economic development with the support from outsiders, Macuxi said. Some view gold prospecting as beneficial or are involved directly themselves.

"They are a minority," said Macuxi. "They are used as puppets to justify these types of projects."

Bolsonaro has said that Indigenous people should be entitled to self-determination - not just regarding possible mining, but all activities. He publicly opposed Raposa Serra do Sol's designation as a protected reserve in 2005 and often holds it up as an example of a large swath of land ripe for productive activities.

The president visited the reserve last October and, donning a traditional tribal headdress, shared with a cheering crowd of villagers his plans to present legislation that would allow mining, monoculture crop cultivation and infrastructure projects like dams on reserves.

"This bill is not an imposition. It says if you want to plant, go plant. If you're going to mine, you're going to mine," he told the Flechal community, where illegal mining is also present.

In the background, banners of the Defense Society of the United Indigenous People of Roraima, which supports mining on the reserve, hung on the wall. The group purports to represent 22,000 people across Roraima.

Unlike many reserves in the Brazilian Amazon featuring lush rainforest, Raposa Serra do Sol is mostly tropical savannah. Bordering Venezuela and Guyana, it is larger than the state of Connecticut and home to 26,000 people from five different ethnicities.

Since the Brazilian government granted its protected status, it has been a stage for sporadic violence often driven by disagreements over whether non-Indigenous farmers could remain in the territory.

In November, state military police broke up checkpoints established by Macuxi people opposed to the illegal mining; six of them were injured with rubber bullets.

#### Reserve

When AP reporters visited the reserve the same month, they still had to pass through checkpoints aimed at warding off invaders and stopping the spread of COVID-19. The rugged terrain is only passable in a four-wheel drive vehicle or motorcycle.

The AP also witnessed illegal miners working in pits on the side of the sacred mountain, equipped with barrels of fuel and portable generators used to power jackhammers to break up the rocky surface.

From the encampment, trucks transported sacks of rocks that prospectors hope contain granules of gold to properties outside the mining site.

There, they are put through crushing machines in order to extract gold. In the vicinity, lookouts alert the presence of any unknown or suspicious vehicles.

Elsewhere in the reserve, in the Mutum community along the Ireng River that forms part of Brazil's border with Guyana, two men sat aboard a mining barge. One held a pan for separating the gold from sediment using mercury. The process is ubiquitous across Brazil's Amazon and it irreversibly poisons locals' waterways and fisheries, according to federal prosecutors and decades of research in the region, including by the government's Fiocruz health institute.

The president of the smaller pro-Bolsonaro Indigenous group, Irisnaide de Souza Silva, has met with the president personally, including in the capital, Brasilia.

#### Kick-start

She told the AP that her organization is trying to kick-start a project to plant 30,000 hectares (74,000 acres) of soybeans on the reserve.

"We're very focused on this project, it's innovative," she said.

The farming initiative dovetails with a program that Brazil's Indigenous agency created under Bolsonaro, dubbed "Indigenous Independence." It enables rural producers and organizations to partner with Indigenous people within reserves to mass produce crops.

The program has been fiercely criticized by activists who say ancestral lands and traditions should be preserved, and who point out that the expertise and capital come from people outside the reserve.

They argue large-scale farms on reserves stand to deepen a trend already taking place with illegal mining: outsiders reaping outside benefits while local communities receive scraps, plus the environmental damages.

The Indigenous agency's press office confirmed to the AP in an email that it was aware of the proposed soybean project, which isn't part of its "Indigenous Independence" initiative.



The Maturuca community where members of the Macuxi ethnic group live on the Raposa Serra do Sol Indigenous reserve in Roraima state, Brazil, Saturday, Nov. 6, 2021. Illegal gold mining on In-

digenous territory like this one is rekindling long-standing divisions in local Indigenous communities about the best path forward for their collective well-being. (AP)