

**US home sales slow again as mortgage rates climb**

Sales of previously occupied U.S. homes slowed for the fourth consecutive month in May as climbing mortgage rates and prices discouraged many would-be buyers.

Existing home sales fell 3.4% last month from April to a seasonally adjusted annual rate of 5.41 million, the National Association of Realtors said Tuesday. That's higher than what economists were expecting, according to FactSet. Sales fell 8.6% from May last year.

After climbing to a 6.49 million annual

rate in January, sales have fallen to the slowest pace since June 2020, near the start of the pandemic, when they were running at an annualized rate of 4.77 million homes.

Even as home sales slowed, home prices kept climbing in May. The national median home price jumped 14.8% in May from a year earlier to \$407,600. That's an all-time high according to data going back to 1999, NAR said.

The housing market, a crucial part of the economy, is slowing as homebuyers

facing sharply higher home financing costs than a year ago following a rapid rise in mortgage rates.

Average long-term U.S. mortgage rates had their biggest one-week jump in 35 years with the Federal Reserve last week raising its key rate by three-quarters of a point in bid to tame high inflation.

The 30-year rate climbed to 5.78% last week, the highest it's been since November of 2008 during the housing crisis, according to mortgage buyer Freddie Mac. (AP)



A home for sale is seen on Dec 8, 2020, in Orlando, Fla. Sales of previously occupied US homes slowed for the fourth consecutive month in May as climbing mortgage rates and prices discouraged many would-be buyers. (AP)

Move aims to ease financial pressures at the pump

# Biden seeks 3-mth suspension of gas, diesel taxes



High gas prices are shown as a pedestrian waits to cross the street in Los Angeles on June 16. US President Joe Biden on Wednesday will call on Congress to suspend the federal gasoline and diesel taxes for three months. (AP)

**Energy secretary, companies to meet Thursday**

## Biden, Chevron chief clash over gas prices

WASHINGTON, June 22, (AP): In a pointed back and forth, the head of Chevron complained Tuesday that US President Joe Biden has vilified energy firms at a time when gasoline prices are at near record levels and the president responded that the oil company CEO was being "mildly sensitive."

The president in recent weeks has criticized oil producers and refiners for maximizing profits and making "more money than God," rather than increasing production in response to higher prices as the economy recovers from the pandemic and feels the effects of Russia's invasion of Ukraine.

Michael Wirth, chairman and CEO of Chevron, sent Biden a letter via email on Tuesday that said the president's own words have been self-defeating in terms of encouraging companies to boost their output.

Chevron is investing in more production, Wirth wrote, but "your Administration has largely sought to criticize, and at times vilify, our industry. These actions are not beneficial to meeting the challenges we face and are not what the American people deserve."

**Cooperative relationship**

The oil company CEO said he wanted a more cooperative relationship with the government.

"Let's work together," Wirth wrote. "The American people rightly expect our country's leaders and industry to address the challenges they are facing in a serious and resolute manner."

Asked about those comments, Biden displayed no sympathy.

"He's mildly sensitive," Biden said. "I didn't know they'd get their feelings hurt that quickly. Look, we need more refining capacity. This idea that they don't have oil to drill and to bring up is simply not true."

Average gas prices are nearly \$5 a gallon nationwide, a strain on commuters and a political albatross for Biden's fellow Democrats going into the midterm elections. That has left the White House scrambling for solutions, including a possible suspension of the 18.4 cents a gallon federal gas tax. Biden plans to decide by the end of the week if the tax should be suspended, a move meant to relieve price pressures and that would need approval from a reluctant Congress.

The gas tax funds highways, but Biden said Tuesday any lost revenue would not have a major impact on road construction because of last year's \$1 trillion infrastructure law.

The clash between the Biden administration and oil producers and refiners unfolded ahead of a Thursday meeting that Energy Secretary Jennifer Granholm will hold with energy companies.

Both House Speaker Nancy Pelosi and Senate Republican Leader Mitch McConnell have previously voiced skepticism about the benefits of suspending the gas tax. But Rep. Adam Schiff, D-Calif., is sponsoring a bill that would put the gas tax on hold through the end of 2023.

Schiff said in a statement that he has been in touch with the White House to encourage the gas tax holiday, adding, "But we shouldn't stop there. We should also hold Big Oil accountable for the price-gouging that is driving prices up in the first place."

The House has approved legislation to crack down on alleged price gouging by oil companies, but the bill has stalled in the Senate. Democratic proposals to impose a "windfall profits" tax on oil producers have generated little support in Congress.

The possibility of a gas tax holiday has drawn criticism from economists and the business community for not fixing the underlying supply challenges.

In an address Tuesday at the Economic Club of New York, a non-profit, non-partisan business group, Target CEO Brian Cornell called the gas tax holiday a temporary "mini stimulus" that does nothing to fundamentally change the supply and demand curve for fuel and transportation.

"We have a classic supply-and-demand challenge," Cornell told the audience. "In all due respect, the gas holiday is only going to fuel demand. It's doing nothing to increase the supply."

Harvard University professor Jason Furman, formerly the top economist in the Obama White House, said a gas tax suspension would not address the supply pressures.

"Refineries are even more constrained now so supply is nearly fully inelastic," he wrote on Twitter. "Most of the 18.4 cent reduction would be pocketed by industry - with maybe a few cents passed on to consumers."

**WASHINGTON, June 22, (AP): US President Joe Biden on Wednesday will call on Congress to suspend federal gasoline and diesel taxes for three months - a move meant to ease financial pressures at the pump that also reveals the political toxicity of high gas prices in an election year.**

The Democratic president will also call on states to suspend their own gas taxes or provide similar relief, the White House said.

At issue is the 18.4 cents-a-gallon federal tax on gas and the 24.4 cents-a-gallon federal tax on diesel fuel. If the gas savings were fully passed along to consumers, people would save roughly 3.6% at the pump when prices are averaging about \$5 a gallon nationwide.

But many economists and lawmakers from both parties view the idea of a gas tax holiday with skepticism.

Barack Obama, during the 2008 presidential campaign, called the idea a "gimmick" that allowed politicians to "say that they did something." He also warned that oil companies could offset the tax relief by increasing their prices.

Biden energy adviser Amos Hochstein pushed back on Wednesday, saying consumers could save about 50 cents per gallon if Congress and the states heed the president's call.

**Breathing room**

"That's not a gimmick," Hochstein, senior adviser for global energy security at the State Department, said on CNN. "That's a little bit of breathing room for the American people as we get into the summer driving season."

It was not immediately clear if the White House has the votes in Congress to suspend the federal tax.

High gas prices pose a fundamental threat to Biden's electoral and policy ambitions. They've caused confidence in the economy to slump to lows that bode poorly for defending Democratic control of the House and the Senate in November.

Biden's past efforts to cut gas prices - including the release of oil from the U.S. strategic reserve and greater ethanol blending this summer - have done little to produce savings at the pump, a risk that carries over to the idea of a gas tax holiday.

Biden has acknowledged how gas prices have been a drain on public enthusiasm when he is trying to convince people that the U.S. can still pivot to a clean-energy future. In an interview with The Associated Press last week, Biden described a country already nursing some psychological scars from the coronavirus pandemic that is now worried about how to afford gas, food and other essentials.

"If you notice, until gas prices started going up," Biden said, "things were much more, they were much more optimistic."

The president can do remarkably little to fix prices that are

**OPEC crudes basket up**

**Kuwait oil price at \$116.12 pb**

KUWAIT CITY, June 22, (KUNA): The price of Kuwaiti oil went up by USD 3.31 to settle at USD 116.12 per barrel on Tuesday in contrast with USD 112.81 pb last Monday, said the Kuwait Petroleum Corporation (KPC) on Wednesday.

Globally, Brent crude climbed 52 cents to USD 114.65 pb, while the West Texas Intermediate crude edged up by USD 1.09, settling at USD 110.65 pb.

**Also:**

**VIENNA:** Price of OPEC's basket of oils rose by USD 2.58 to USD 115.97 per barrel on Tuesday against USD 113.39 pb on Monday.

Bulletin of the Organization of Petroleum Exporting Countries said Tuesday the annual average rate of the crudes' basket, last year, reached USD 69.89 pb.

A report published last week by OPEC detailed that oil futures hiked sharply due to geopolitical tensions in Europe as well as possibility of increased demand on crude oil as Chinese authorities gradually lift COVID-19 restrictions.

Energy ministers of the OPEC+ coalition agreed, on June 2, on increasing the oil production by 648,000 barrels per day for coming July and August.

OPEC+ countries are set to hold a meeting on June 30, 2022, to follow up on market conditions.

set by global markets, profit-driven companies, consumer demand and aftershocks from Russia's invasion of Ukraine and the embargoes that followed. The underlying problem is a shortage of oil and refineries that produce gas, a challenge a tax holiday cannot necessarily fix.

Mark Zandi, chief economist at Moody's Analytics, estimated that the majority of the 8.6% inflation seen over the past 12 months in the U.S. comes from higher commodity prices due to Russia's invasion and continued disruptions from the coronavirus.

"In the immediate near term, it is critical to stem the increase in oil prices," Zandi said last week, suggesting that Saudi Arabia, the United Arab Emirates and a nuclear deal with Iran could help to boost supplies and lower prices. Republican lawmakers have tried to shift more blame to Biden, saying he created a hostile environment for domestic oil producers, causing their output to stay below pre-pandemic levels.

Senate Republican leader Mitch McConnell mocked the idea of a gas tax holiday in a February floor speech. "They've spent an entire year waging a holy war on affordable American energy, and now they want to use a pile of taxpayers' money to hide the consequences," he said.

**Within the framework of "Keep it Green" campaign  
KFH: Remarkable efforts in supporting environmental and sustainability initiatives**



As part of its sustainable development strategy, Kuwait Finance House (KFH) continues its remarkable efforts in supporting environmental and sustainability initiatives under "Keep it Green" campaign.

KFH organized a special event for kids on the World Environment Day. The event, that was titled "Coloring & Gardening Workshop" and witnessed huge participation, aimed at raising awareness among kids on the importance of gardening and keeping the environment clean and safe.

The event took place in Smiling Seedz Café, in collaboration with (Seeds) and (Biohydro) businesses at the Promenade Mall. All the tools and equipment used during the event were made of recycled materials in effort to deliver an important message to children about the importance of utilizing all resources in the recycling process to preserve the environment.

The event was well praised by the parents who shared their thoughts on the importance of organizing similar events that promote the culture of environmental sustainability in light of the worldwide focus on this trend.

It is worth noting that KFH has launched several environmental initiatives under the umbrella of "Keep it green" campaign, such as the initiative held at Assima Mall in collaboration with PUFF, where it contributed in the collection of more than 25 thousand plastic bottles within 5 hours for recycling.

KFH has also signed a strategic partnership with the Public Authority for Agricultural and Fishery Affairs to support the plantation and greening of Kuwait areas.

In addition, the Bank has also signed a strategic partnership with the Sedra initiative and the voluntary Green Dream team, which includes various environmental projects and activities in

the field of plantation and mitigation of carbon emissions. The "Carbon Offset" platform, designed by (Sedra), is the first platform in Kuwait through which carbon emission may be mitigated and other future environment projects may be launched. KFH has participated in supporting the initial stage of the project which comprises the plantation of 500 trees and providing 3 years care, which is the average care period required for the tree to be self-sufficient.

The Bank's voluntary team has participated in cleaning Kubbar island in collaboration with the Public Environment Authority and the Coast Guard.

Also, KFH is the first bank at the private sector level to support the Agrivage initiative which was established by Kuwaiti youth to transform vegetables and fruits leftovers into manure for the soil.

KFH provides 5 products of KFH smart plastic bank cards which are 85.5% made of recycled plastic of high global quality and specifications according to the highest environment sustainability standards and certified by specialized global organizations e.g., Visa, MasterCard, IDEAMIA card industry. This industry is the first of its kind in Kuwait as environment friendly initiatives and banking cards compliant to global sustainability practices.

KFH owns the eco-friendly KFH Auto showroom that is fully compatible with green buildings and global sustainability standards. It is the largest auto showroom in the Middle East covering a total area of 38 thousand square meters.

KFH released the sustainability report as part of its group integrated sustainability strategy. The report covers environment, society, financial inclusiveness, employees' rights, customer protection and governance manual in KFH activities, management, and operations at the operational and business continuity levels to achieve an added value for shareholders, customers, partners, and stakeholders.

**Ahli United Bank (AUB) Congratulates the Winners of Al-Hassad Weekly Draw**

Ahli United Bank (AUB) held the weekly draw on 22 June 2022 of Al-Hassad Islamic account, the first Islamic prizes account in Kuwait which provides numerous features. Such features include the simplest and easiest savings program, loyalty multipliers, and a unique account opening feature online with all ease with an instant deposit option.

The Bank announced 10 Winners of KD 1,000 as follows: Laila Ahmad Al-Eidan, Mohammad Shuaifan Al-Ajmi, Sanaa Taher Abul, Shaikhah Saad Al-Saeed, Karim Mohammad Mohammadi, Shaikhah Mohammad Al-Matar, Mohammad Saleh Al-Husaini, Abdulrahman Hamad Al-Ajmi, Mohammad Hamad Al-Hajri, and Husah Al-Arbaid.

In its new package, Al-Hassad Islamic Saving Account presents a broader variety of rewards. Customers could now participate in the draw to win a monthly KD 100,000 prize, in addition to 10 weekly prizes of KD 1,000 each. The grand quarterly prize of KD 250,000 in cash for the winner remains the most important aspiration of customers. It is a real chance for them to realize their life dreams. In addition to this attractive package, there will be the annual expected profits on the basis of a Wakala contract

that increases the attractiveness of the Al-Hassad Islamic Saving Account to customers. Al-Hassad Account provides a suite of unique features, including the simplest and easiest savings program, and a unique account opening feature online with all ease with an instant deposit option. To be eligible to participate in the draw, the customer should have a minimum balance of KD 100, whereby the customer has two chances to participate, with up to 30,000 chances per draw, in addition to rewarding annual profits. Every KD 50 invested entitles the customer to one

chance in the draws, provided that to maintain his balance for at least fifteen days before the draw date. The longer the customer keeps his balance the bigger the chances of participation in the draw with every KD 50 in the account. Draws are held every Wednesday based on the draw scheme. On religious and national holidays, the draw is postponed to the next business day. For more information on Ahli United Bank's products and services, customers are invited to visit any of the Bank's branches, dial the customer services "Hayakom" on to the Bank's website at www.ahliunited.com.kw