

## Business

SUNDAY, OCTOBER 6, 2019

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Group picture of the management teams from Zain Drone and BHGE

## Zain Drone enters MoU with Baker Hughes

### Agreement aims to reduce safety risks, operator error and time in energy sector

**ABU DHABI:** Zain Group, a leading mobile telecom innovator in eight markets across the Middle East and North Africa, announces that its fully owned subsidiary Zain Drone, has entered a memorandum of understanding (MoU) with Baker Hughes, a GE company (BHGE) to provide digital inspection services in the MENA and Turkey region. The agreement was penciled on the sidelines of the 24th World Energy Congress held in Abu Dhabi, UAE and will allow the two entities to explore ways in which they can offer full inspection capabilities for customers' assets and infrastructure in the energy sector.

Together, Zain Drone and BHGE would be able to support the growing demand to replace physical inspections with digital inspections, reducing physical inspection hours, costs, manual labor, human error and shut-down time for operators. Commenting on the MoU, Zain Group CEO of Operations, Scott Gegenheimer commented, "This agreement marks a significant step forward for Zain Drone with respect to addressing another key vertical sector - the energy sector - with our services. Partnering in this area with an established company with the reputa-

tion of BHGE is also extremely positive, and together I am confident we can offer the energy industry some of the most compelling and precise remote digital inspection services in the market." Rami Qasem, President & CEO, BHGE's Measurement & Controls, said: "Our collaboration with Zain Drone can have significant benefits for the energy industry. As a true innovator in the region, Zain Drone has developed impressive capabilities to use drones in industrial environments, and BHGE's advanced inspection services will help to usher in a new era of digital inspection for our customers."

Zain Drone as-a-Service (DaaS) offering unlocks opportunities in various industries to fast-track growth and exploit the Internet of Things (IoT) in an efficient, safer and faster way. The offering delivers state-of-the-art bespoke drone solutions and provides advanced analytics for governments and businesses. Zain DaaS facilitates the gathering of image data concerning work advancement through measurement of key parameters, assessing image data to evaluate compliance with original designs, and performing automated stock-taking.



Zain's Scott Gegenheimer and BHGE's Rami Qasem sign the MoU

## US unemployment rate hits 3.5%; job growth cool

**WASHINGTON:** The US unemployment rate dropped to near a 50-year low of 3.5 percent in September, with job growth increasing moderately, suggesting the slowing economy could avoid a recession for now despite trade tensions that are hammering manufacturing.

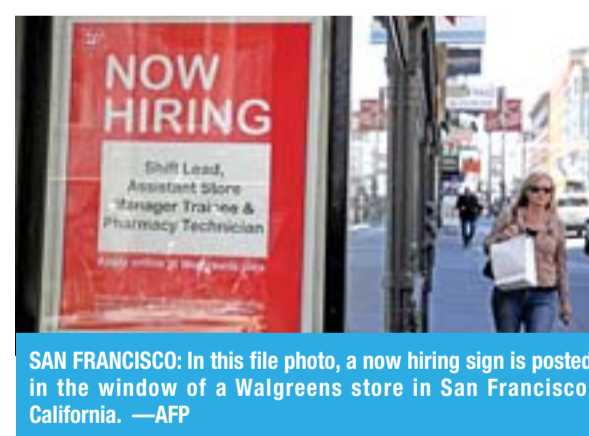
The Labor Department's closely watched monthly employment report on Friday, however, contained reminders that the risks to the longest economic expansion on record remained tilted to the downside. Wage growth stagnated and manufacturing payrolls declined for the first time in six months. The retail and utilities sectors also continued to shed jobs. The report followed a string of weak economic reports, including a plunge in manufacturing activity to more than a 10-year low in September and a sharp slowdown in services industry growth to levels last seen in 2016, that heightened fears the economy was flirting with a recession.

"The unemployment rate usually rises ahead of a recession, so a fresh decline pushes out the timeline for any potential recession into late 2020 at the earliest," said Josh Wright, chief economist at iCIMS in New York. The two-tenths of a percentage point drop in the unemployment rate from 3.7 percent in August pushed it to its lowest level since December 1969. The jobless rate, which had been stuck at 3.7 percent for three straight months, declined even as 117,000 people entered the labor force last month. Nonfarm payrolls increased by 136,000 jobs

last month, the government's survey of establishments showed. The economy created 45,000 more jobs in July and August than previously estimated. Economists polled by Reuters had forecast payrolls would increase by 145,000 jobs in September.

September's job gains were below the monthly average of 161,000 this year, but still above the roughly 100,000 needed each month to keep up with growth in the working-age population. The smaller household survey from which the unemployment rate is derived showed a jump of 391,000 in employment in September. With signs that the Trump administration's 15-month trade war with China is spilling over to the broader economy, continued labor market strength is a critical buffer against an economic downturn. The trade war has eroded business confidence, sinking investment and manufacturing.

There is also political uncertainty in Washington after the Democratic-controlled US House of Representatives launched an impeachment inquiry against President Donald Trump over accusations he pressed Ukrainian President Volodymyr Zelenskyy to investigate former US Vice President Joe Biden, a leading candidate for the 2020 Democratic presidential nomination. These factors, together with benign wage inflation, are likely to prompt the Federal Reserve to cut interest rates at least one more time this year, economists said. The US central bank cut rates last month after reducing borrowing costs in July for the first time since 2008, to keep the economic expansion, now in its 11th year, on track. Fed Chair Jerome Powell reiterated on Friday that the economy was "in a good place," adding that "our job is to keep it there as long as possible." The dollar was little changed against a basket of currencies. Prices of US Treasuries rose marginally. Stocks on Wall Street were trading higher.



SAN FRANCISCO: In this file photo, a now hiring sign is posted in the window of a Walgreens store in San Francisco, California. —AFP

### Strong gov't hiring

"We continue to expect the Fed to cut its target interest rate later this month," said Michael Feroli, an economist at JPMorgan in New York. "We believe it would have taken a much stronger number to convince Fed leadership that they have already taken out enough insurance against downside risks." Economic growth estimates for the third quarter range from as low as a 1.3 percent annualized rate to as high as a 1.9 percent pace. The economy grew at a 2.0 percent pace in the second quarter, slowing from a 3.1 percent rate in the January-March period. Slower growth was reinforced by a report from the Commerce Department on Friday that showed the US trade deficit widened 1.6 percent to \$54.9 billion in August. A broader measure of unemployment, which includes people who want to work but have given up searching and those working part-time because they cannot find full-time employment, declined to 6.9 percent last month, the lowest level since December 2000, from 7.2 percent in August. —Reuters

## US business groups oppose Trump on 'Dreamers'

**WASHINGTON:** The US Chamber of Commerce, other business groups and companies including Amazon.com Inc and Alphabet Inc's Google have filed a brief at the US Supreme Court opposing President Donald Trump's effort to end a program that protects from deportation hundreds of thousands of immigrants who were brought into the United States illegally as children.

The Supreme Court is set to hear arguments on Nov. 12 over Trump's 2017 plan to rescind the Deferred Action for Childhood Arrivals (DACA) program created by his Democratic predecessor Barack Obama in 2012. Trump's move to rescind DACA was blocked by lower courts. The immigrants protected under the program often are called "Dreamers."

In the brief filed on Thursday, the business groups said Trump's move would harm individual companies that employ DACA recipients and the US economy as a whole.

The program currently shields about 700,000 immigrants, mostly Hispanic young adults, from deportation and provides them work permits, though not a path to citizenship.

Apple CEO Tim Cook filed a similar brief earlier in the week. A Supreme Court decision is due by the end of June, in the thick of next year's presidential race in which Trump is seeking re-election. Democratic presidential candidates including Joe Biden have pledged actions to protect the Dreamers and offer them citizenship.

Trump, Republicans in Congress and Democratic lawmakers have been unable to hammer out a legislative deal to protect "Dreamers." The Trump administration has argued that Obama exceeded his constitutional powers when he bypassed Congress and created DACA.

The legal question before the Supreme Court is whether the administration properly followed a federal law called the Administrative Procedure Act in Trump's plan to end DACA. Under Trump's September 2017 decision to rescind DACA, protections for Dreamers were to have begun phasing out in March 2018. But lower courts directed the administration to continue processing renewals of existing DACA applications while the litigation was resolved. —Reuters