

## Business

# German central bank chief to quit at crunch moment for ECB

## ECB monetary policy and German coalition talks face questions

FRANKFURT: German central bank president Jens Weidmann, a fierce opponent of loose monetary policies in Europe, will step down at the end of the year after a decade at the helm, the Bundesbank said yesterday. His departure comes as the European Central Bank faces difficult questions over its future monetary policy and as coalition talks to form the next German government formally get under way.

Weidmann, a member of the ECB's 25-member governing council and head of the Bundesbank since May 2011, intends to step down on December 31 for "personal reasons", the Frankfurt-based institution said in a statement. His term would have ended in April 2027 but the long-time president told colleagues in a letter that "after 10 years it is time to begin a new chapter".

As Weidmann steps down, the ECB is under pressure to respond to rising inflation in the eurozone and will shortly have to decide when to wind down its massive pandemic-era stimulus program.

Weidmann, who often clashed with ECB leadership while in office, thanked ECB President Christine Lagarde despite the "sometimes difficult discussions" the pair had participated in over recent years. In a statement, Lagarde said she respected Weidmann's decision, praising his "willingness to find compromise". In recent weeks, Lagarde has

said the ECB should not "overreact" in the face of "transitory" pressures that have seen inflation rise well above the bank's two-percent target.

But in his departure letter, typically hawkish Weidmann warned it would be "decisive" for the ECB's strategy "not to lose sight of future inflation risks". Crisis response measures were also only "proportionate for the crises they were designed to tackle", according to Weidmann. Stability, he added, would only be achieved if "monetary policy observed its narrow mandate and does not let itself be led by fiscal policy or the markets".

The early end of Weidmann's tenure could "tilt the debate within the ECB a bit more in a dovish direction", said Holger Schmieding, chief economist at Berenberg Bank. "But not very much. He is not the only hawk on the ECB council," Schmieding said. The Bundesbank president's exit will create a headache for the parties engaged in coalition talks to form the next German government, which will likely appoint Weidmann's successor. The outgoing Bundesbank president represented the country's uncompromising stance against inflation during Angela Merkel's tenure as German chancellor.

Among the parties taking part in talks, the liberal FDP has supported a more conservative direction for monetary policy than the Social Democrats and Greens. The next German govern-



FRANKFURT: In this file photo, Jens Weidmann, president of the German Central Bank (Bundesbank), smiles as he arrives to attend the weekly cabinet meeting at the Chancellery in Berlin. — AFP

ment would nonetheless be likely to appoint "a less hawkish successor", said Schmieding. Weidmann had his term as president renewed to 2027 in 2019. His resignation will have to be formally accepted by the German president. —AFP

## China eyes coal price intervention to curb cost spikes

BEIJING: China pledged to reduce soaring coal prices as it ramps up production to relieve increasing pressure on the country's economy—despite promising to reduce fossil fuel emissions. The world's number two economy expanded slower than expected in the third quarter as an energy crisis began to bite, official data showed this week, with electricity shortages and production cuts dragging industrial output.

It comes as Beijing—one of the world's leading polluters—says it will reduce emissions and its reliance on the fossil fuel. The National Development and Reform Commission (NDRC) said Tuesday it was studying measures to intervene in coal prices, which have risen rapidly and hit record highs. "The current price increase has completely deviated from the fundamentals of supply and demand," it said, pledging to have prices return to a "reasonable range". It warned authorities would take a "zero tolerance" approach and "severely crack down on" activities like spreading false information or price collusion.

In a separate notice on Tuesday, the NDRC stressed coal mines should aim for more than 12 million tons in daily output, with local authorities to ensure production is maximized. The surging price of coal and supply shortages, both factors behind



recent power outages in China, have fanned concerns about global supply chains. A production snarl in China could hit global exports and bump up prices at a time when factory price inflation is already high. Meanwhile, the country's thermal coal futures fell in overnight trading. Nearly 60 percent of China's energy-hungry economy is fuelled by coal, and it has pledged to become carbon neutral by 2060.

In recent months China has been hit by widespread power cuts, forcing factories to delay production as businesses are ordered to minimize energy usage. Officials have been looking

for ways to combat the price rally as the winter months approach.

Mines have been ordered to expand coal production, while top state-owned energy firms must ensure adequate fuel supplies at all costs. Local governments have also been taking action, with coal port Qinhuangdao reaching an agreement with miners, power plants and railway operators to cap some supplies costs, according to the state-run Economic Daily. China's coal inventories stand at 88 million tons, enough to last 16 days, according to the NDRC. —AFP

## Huawei to announce Huawei nova 9 in Mideast, Africa region

KUWAIT: Huawei's been in the consumer business since 2011. For the past 10 years, the company has made continuous investments into the R&D of its consumer products. Just in the smartphone space, Huawei pioneered a lot of technology and design that are seen in today's phones. For instance, Huawei was the first to introduce a triple-camera setup with Huawei P20 Pro. With P30 Series came SuperZoom, which let consumers take incredible zoom shots that consumers didn't think were possible with smartphones. And these two are just the tip of an iceberg. According to the company, Huawei is currently serving 730 million users, and connecting 1 billion devices worldwide. These figures attest to Huawei's success and the trust consumers have in the company.

Huawei isn't giving up when you factor in the oppressive market environment that Huawei was put in for the past year. The challenges have only strengthened Huawei's resolve. The company remains committed to consumers and to the international markets, and still has something up its sleeves that it can't wait to show the world. In fact, Huawei's preparing to unveil a new smartphone - Huawei nova 9.

### What's the Huawei nova Series?

Unless you are an avid Huawei fan, there is a good chance you have not heard of Huawei's nova Series. Now in its sixth year, the Huawei nova Series is positioned as a trendy flagship smartphone for the younger generation. The name is derived from Latin. Nova, the singular adjective of Latin 'novus', means new. It represents youth, vitality and confidence. Interestingly, the word 'innovation' also contains 'nova'. As for the series itself, if we were to summarize it in three words, it would be: innovation, chic and identified. Let us go deeper and see how these three words relate to Huawei nova.

Innovation is the foundation of the Huawei nova Series. From the very beginning, the Huawei nova Series has always featured some of the best



technology - including design, camera, fast-charging solutions, apps and more - that Huawei has to offer since its inception in 2016. The style of Huawei nova Series is chic and identified, having its own signature nova brand icon and coming in chic colourways and designs that stylishly adorn its users, as well as providing a premium entertainment experience, people who own this product have the unique "nova" style.

For instance, the Huawei nova Series is known for its extremely thin and lightweight devices, like the Huawei nova 5T being just 7.87mm thin and weighing just 174g, and the Huawei nova 7 with a 7.96mm thin body and a weight of 180g. The nova Series is also identified by the premium entertainment experiences it offers. With the Huawei nova Series, Huawei pioneered AI beautification features to take selfies to a new level. With the series, consumers are also given access to a wide range of amazing Huawei technology, such as Super Night Mode, software and battery optimisations, Huawei SuperCharge and more.

### The next in line: Huawei nova 9

From the upcoming Trendy flagship & Camera King - Huawei nova 9, you can expect the same excellence in design, camera, charging technology and smart features as you get from other new Huawei smartphones. From a design perspective, it is safe to assume you will get a nova that



comes with a curved display with a high 120Hz refresh rate. In addition to the incredible colourways expressed in novel textures made with innovative manufacturing processes.

The camera won't disappoint, they never do. The Huawei nova Series has always been an early adopter of flagship-grade technology. It comes with a 50MP Ultra Vision Camera at the back and the new Continuous Front/Rear Recording feature complemented by the 32MP front camera for easy, high-quality vlog creation.

As well as a long-lasting battery life, the 66W Huawei SuperCharge support ensures fast charging speeds, which help alleviate users' low battery anxiety. Like any other Huawei products, the Huawei nova 9 is steeped in Huawei's innovative DNA, delivering excellent user experiences across different usage scenarios. The nova Series also enables multi-device connectivity for it to synergize with other devices in Huawei's massive all-scenario ecosystem, such as the Huawei earbuds, smart watches, tablets and laptops.

Running on the latest version of EMUI 12, Huawei nova 9 provides smooth and fast control response as well as app launch experience. Whether for working, studying, remote communication, gaming, entertainment or asset editing, the new smartphone offers a brand-new, all-scenario interaction which is straightforward, fast and smooth, safe and reliable.

## KFH announces gold winners in Al-Rabeh Account

KUWAIT: Kuwait Finance House (KFH) has announced the winners of the quarterly draw (third quarter) of 3kg of gold each, and the monthly draw of Al-Rabeh account. The winners of the quarterly draw of 3kg gold each are: Ahmed Al-Khalaf, Anwar Al-Ansari, and Amani Abu Gamaz. The winners of the monthly 1kg of gold are Aisha Al-Budaiwi, Mohammad Al-Kandari, and Mohammad Al-Bidan for the month of September.

Through monthly, quarterly and annual draws, KFH gives 45 Al-Rabeh account holders the opportunity to win up to 77kg of gold in prizes ranging from 1 to 3kg of gold over a full year, in addition to the annual draw of a grand prize of 12kg of gold. The prizes are targeted to existing and new customers of Al-Rabeh account, with salaries not less than KD 500. When their salaries are transferred to the Al-Rabeh account, they will be eligible to win unprecedented prizes by being entered into the draws, which are: a monthly draw, except the month of December, with three individuals winning 1kg of gold each, and a quarterly draw with three winners per draw winning 3kg of gold each (except the fourth quarter draw, which has only one winner). At the end of the campaign, an annual draw is made to pick three winners, the first-place winner receives a grand prize of 12kg of gold. The second-place winner receives 3kg of gold and the third-place winner receives 2kg of gold. The total number of winners is 45 customers, and the total prizes at the end of the campaign is 77 KG of gold.

Al-Rabeh account is available in Kuwaiti dinar for individuals, with a salary transfer required for customers to enter the draw. Regarding the terms and conditions of the prizes and draws, a customer should deposit three salaries during the three months prior to the draw, and the minimum balance of the account should not be less than KD 50 at the end of each month during the three months prior to the draw. Every additional KD 50 in the account increases the customer's chances to win, thus with these benefits and rewards, Al-Rabeh account, is suitable for customers wishing to transfer their salaries and manage their personal accounts, with the possibility of saving and investing. Al-Rabeh account confirms KFH's continued keenness to deliver premium products that meet customers' aspirations and enhance the bank's leadership in the market.

## China new-home prices fall for first time in six years

BEIJING: China's new-home prices fell for the first time in six years last month, data showed yesterday, as the property sector struggles after a government clamp-down, while a default at several major developers added to contagion concerns from the Evergrande crisis. The latest reading follows official figures showing the real estate and construction industries shrank in the third quarter for the first time since the early stage of the pandemic, which acted as a huge drag on the world's number two economy. Figures on Wednesday showed that the cost of new homes in 70 large and medium-sized cities saw a small decrease in September, the National Bureau of Statistics said without giving a precise percentage, though Bloomberg calculations found they dropped by around 0.08 percent.

That represents the first drop since April 2015. Prices in the secondary market slipped 0.19 percent, a second monthly fall, Bloomberg said. The latest readings will be considered especially worrying as September is usually seen as a peak season for the home market, and emerge as property firms come under the spotlight after the government began clamping down on their borrowing. This has in turn limited their ability to press on with building and selling projects, putting even more pressure on their bottom lines.

The biggest casualty of the crackdown is China Evergrande, one of the nation's biggest property developers, which is teetering on the brink as it struggles under debts of more than \$300 billion. The firm has missed several payments on its bonds and a 30-day grace period on an offshore note is up on Saturday, leaving investors concerned about what will happen. Still, it has managed to meet its domestic obligations.

Fears that the firm could collapse and send shockwaves through the Chinese economy—and possibly globally-rattled markets earlier this month, though Beijing has said any fallout would be containable. Several domestic property rivals have in recent weeks already defaulted on debts and have seen their ratings downgraded. Hong Kong-listed Sinic Holdings became the latest to miss a payment, S&P Global Ratings said yesterday. S&P said the latest non-payment would "trigger cross defaults and accelerate demands for repayment of the company's other debts... some of which are already overdue". —AFP