

Business

US businesses added a solid 190,000 jobs in November

3Q worker productivity strongest in 3 years

WASHINGTON: US businesses added a robust 190,000 jobs in November, according to a private survey, a sign that hiring is strong enough to reduce an already-low unemployment rate.

Payroll processor ADP said yesterday that last month's hiring followed an even larger gain of 235,000 in October. Some of October's job increase reflected a bounce-back from hurricane effects, which lowered hiring in September to just 96,000.

Manufacturers helped drive the increase, adding 40,000 jobs, the largest gain this year, ADP said. Health care added 31,000 positions, and a category that includes restaurants and hotels hired 25,000.

Job gains at last month's pace should, over time, lower the unemployment rate, which is currently at a 17-year low of 4.1 percent.

US worker productivity rose 3 percent in the third quarter, the best showing in three years, while labor costs fell for a second straight quarter. The increase in productivity in the July-September quarter was double the 1.5 percent gain in the second quarter and both quarters were up significantly from a scant 0.1 percent rise in the first three months of the year. Labor costs fell 0.2 percent after an even bigger 1.2 percent decline in the second quarter.

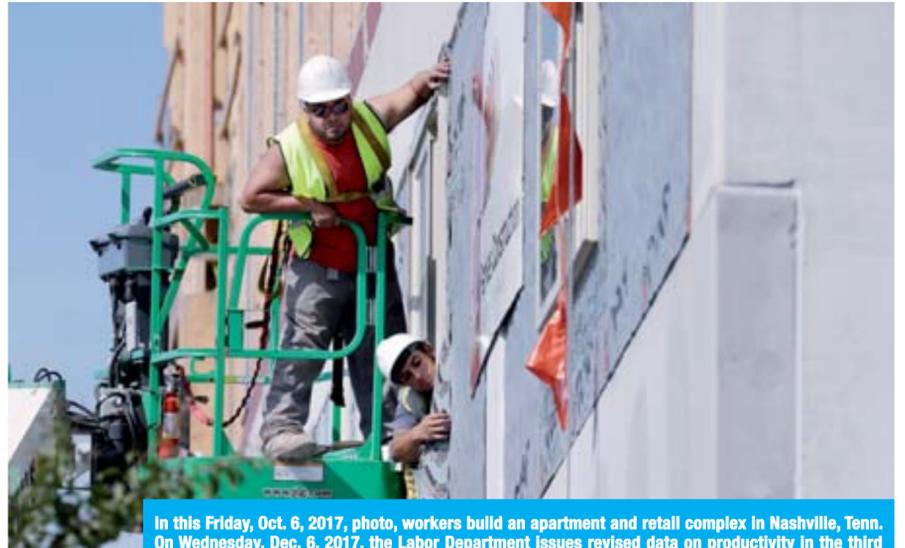
The third quarter figure for productivity was unchanged from an initial estimate while labor costs were initially estimated to have risen by 0.5 percent. Economists are hopeful that the upturn in productivity may be a sign that this key measure of living standards is improving after a prolonged period of weakness.

Economists believe finding ways to increase productivity, the amount of output per hour of work, is the biggest challenge facing the economy right now. They say that without an improvement, the Trump administration will have difficulty reaching its goal of doubling economic growth in coming years.

The upturn in the past two quarters reflects the fact that overall output, as measured by the gross domestic product, accelerated sharply following a weak start to the year. GDP grew at an annual rate of 3.3 percent in the third

quarter, the government reported last week, and that followed a 3.1 percent rise in the second quarter. It was the first back-to-back GDP gains of 3 percent or better in three years.

Productivity actually declined in 2016, dropping 0.1 percent. It was the first annual decline in 34 years and followed a string of weak annual performances since the economy emerged from recession in mid-2009. Productivity has averaged annual gains of just 1.2 percent from 2007 through 2016, a sharp slowdown from average annual gains of 2.6 percent from 2000 to 2007. Those increases



In this Friday, Oct. 6, 2017, photo, workers build an apartment and retail complex in Nashville, Tenn. On Wednesday, Dec. 6, 2017, the Labor Department issues revised data on productivity in the third quarter. —AP



Hiring strong enough to cut unemployment

26 new winners in Al-Hassad account

KUWAIT: Ahli United Bank recently conducted its Al-Hassad Islamic account weekly draw, Kuwait's leading sharia-compliant rewards program that offers a broad range of prizes to the largest number of winners, yesterday. The account provides 26 weekly prizes that are comprised of KD 25,000 as a grand prize and 25 other prizes valued at KD 1,000 each. AUB also offers four quarterly prizes that are valued at KD 250,000 to each winner allowing them to achieve their dreams of travelling, studying abroad, or owning their dream home or car.

On this occasion Ahli United Bank announced, "With this draw, we are adding 26 new winners and prizes to the Al-Hassad Islamic Account whereby, the total number of winners annually will include more than 1300. The weekly grand prize winner of KD 25,000 Lateefah Sultan Aldabbous, 25 other winners won prizes of KD 1,000 and are as follows: Abdulwahab Ali Alkhateeb, Thuraya Mostafa Alhareeri, Jamal Saad Ali, Abraham George, Khaled Dahlous Alazmi, Suad M Baqer, Abdullah Ali Aabasrifi, Ali Ahmad Alfalakawi, Louwah Jaber Ahmad, Osamah Mohammad Alkhateeb, Hisya Youssef Ahmad, Faisal Aabula Alsarraf, Emad Hasan Alasousi, Mariam Sabeeh Alwoqayan, Abdulrahman Albedaiwi Alsubaee, Ahmed Saleh Alabwa, Ajmi Alsheikh Almutairi, Ammar Abdulbaqil Mahmoud, Naser Zaben Alrasheedil, Aysha Rashid Khalifa, Khushal Mohammed, Mohammed Al Khan, Mohammed Jamshed Omar, Amal Mohd Abdulla and Hameeda MirzaA Jaafar. Al-Hassad Islamic account's customers in Kuwait and Bahrain are eligible to participate in the draw in line with the program's terms and conditions. Ahli United Bank added, "There are increased opportunities that await our current customers and those who are interested in opening an Al-Hassad Islamic account to benefit from the wide range of prizes and opportunities offered this year." Individual customers can open their accounts with a minimum deposit of KD 100, qualifying them to enter the draw. For every KD 50 deposited in the account, customers are given one chance to enter the quarterly draw. They must have held the minimum deposit requirement for at least two weeks prior to the draw date. The more deposits made, the higher the chances of winning on a weekly basis.

China targets booming online lending as crisis fears build

BEIJING: When Jia Xinru needed to borrow money to buy new clothes, order food and buy a projector to screen Breaking Bad on her wall, she had instant access to China's growing number of lenders via her mobile phone. The 24-year-old secretary is among millions of Chinese who have turned to proliferating online companies that dish out quick loans—and are worrying the country's leadership.

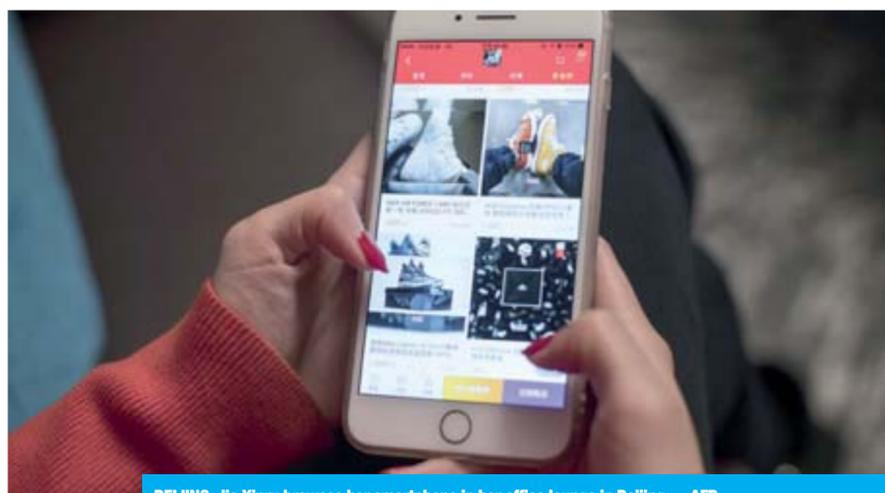
On Friday authorities issued new rules on microlending, designed to protect consumers and limit risk for creditors. The move was the latest aimed at tackling financial risks as the world's number two economy faces ballooning debt that has drawn warnings of a potential global financial crisis.

While most economists and analysts have focused their concerns on corporate debt, household debt has risen rapidly, roughly doubling since 2012, according to the Bank for International Settlements, known as the central banks' central bank.

And smartphones have made it even easier for consumers to borrow cash in China, with e-commerce apps and mobile payment increasingly prevalent.

Jia started accumulating her debt when she was in college, turning to tech titan Alibaba when she could not get a credit card.

The ease of a few taps on her phone and a four minute wait led Jia to borrow and borrow and when she was finally able to take out a card, she used it to



BEIJING: Jia Xinru browses her smartphone in her office lounge in Beijing. —AFP

repay Alibaba's affiliate Ant Financial. But her debt reached roughly \$9,000 this summer, and her monthly interest payments eclipsed her meager salary. She described the debts as "snowballing", finding it harder to pay one debt as she borrowed to pay another.

'Lending nirvana'

Alternative lending, with loans that can be wired to accounts within minutes, has taken off in China and accounts for 85 percent of the global market, according to a University of Cambridge report.

By 2020, some estimates forecast the business could approach that of credit cards, suggesting

some Chinese may be leapfrogging from plastic to mobile loans. Online lenders say most of their business comes from consumers and small businesses with little access to the formal banking system—only a third of Chinese have credit cards, according to the central bank.

"Most of our borrowers are in third or fourth tier cities," said a marketing employee at lending platform Guangxindai, who declined to give her name. "They have a hard time getting credit cards from banks." The business's growth comes as a new generation of Chinese shed their parents' penchant for saving and embrace the credit culture. —AFP

Honor 7X, the most accessible full view display for millennials launches in GCC

KUWAIT: Honor, the leading smartphone e-brand under the Huawei Group, releases today their latest and premium product in its leading Honor X-series range, the Honor 7X, which delivers an unparalleled full-screen viewing experience at an extremely competitive price point of 999 AED.

The Honor 7X is the first smartphone to feature Honor FullView Display; a 5.93 inch edge-to-edge, bezel-less screen design that provides remarkable display quality and achieves an extraordinary high screen-to-body ratio, meaning that users can enjoy striking images on a sleek, compact phone which comfortably fits into the palm of their hand.

In addition, the max-ed bezel-less screen and dual-lens 16MP + 2MP rear camera with large aperture and fast focusing means DSLR-level photo quality and shooting experience is at selfie-lovers' fingertips. Combined with a powerful octal-core Kirin 659 and graphics processing unit (GPU), the Honor 7X provides a clarity and user experience that is incomparable at this highly competitive price.

Chris Sun Baigong Vice President of Honor in the Middle East and Africa commented, "The Honor 7X clearly demonstrates our capability to offer young tech savvy consumers in the Middle East and Africa unprecedented technology at a value added price while challenging the current market competitors. A smartphone that far exceeds their expectations with the best fullview display that caters to their ever-changing needs. Honor 7x offers a phone that inspires action and creativity at a surprisingly accessible price."



High tech, high finance and high times for US pot industry

NEW YORK: Two years ago, Alan Gertner was head of Google's Asia-Pacific sales team in Singapore, handling more than \$100 million in business. Now, he begins his day in a small Toronto office, building a cannabis brand that sells fancy smoking accessories such as vaporizers and bongs that cost up to \$335 CAD (\$261.72).

Gertner is among a growing group of entrepreneurs and investors who are trading in high-paid corporate jobs in the technology and finance sectors to launch start-ups focused on the fast-growing marijuana industry. Two decades after the first legalization of medical marijuana by a US state, pot-based businesses are professionalizing their operations by luring top talent from other industries and billions of dollars in investments from Wall Street firms. A new commodity index even offers data on the going rates for greenhouse and field-grown weed. Gertner still gets surprised reactions to his career change, as when his mother asked: "Can't you just get another job at Google?" And yet he's raised \$10 million in capital in ten months as the chief executive of Toyko Smoke, despite the continuing taboos and legal risks in the industry.

The legal cannabis market, currently worth about \$8 billion, is predicted to triple in size to \$22.6 billion in total annual sales by 2021, according to cannabis industry tracker, Arcview Market Research. That could make it bigger than the America's most profitable sports organization, the National Football League, which saw about \$13 billion in revenue last year and aims to reach \$25 billion by 2027. So far in 2017, there have been at least 27 investments by venture capital funds in cannabis companies, compared with just 10 deals in 2016 and 9 deals in 2015, according to venture capital data provider CB Insights. The influx of capital helps finance the paychecks of 150,000 workers in the legal U.S. pot industry, representing job growth of 20 percent from a year ago, according to an estimate from the cannabis website Leafly, a marketing firm for dispensaries and other cannabis firms.

Eric Eslao, founder of Defonce Chocolatier - which makes artisanal cannabis-infused chocolates costing \$20 a bar - was a senior production manager at Apple just over a year ago. He feared the stigma of joining the weed industry, but it didn't stop him. "The opportunity was too good not to make the jump," he said.

Legal risks and challenges

Thirty states have legalized marijuana for recreational or medical use, but possession and sale is still banned at the federal level. The administration of President Donald Trump has sent mixed signals on its enforcement policy. Attorney General Jeff Sessions has vowed to crack down on the pot trade in states with legalization laws, but Trump has extended a ban on using federal funds to interfere with the industry through the end of this year. Americans increasingly support marijuana legalization, according to the Reuters/Ipsos opinion poll. The number of adults who believe it "should be legal" to possess small amounts of marijuana rose to 54 percent in a poll conducted between Oct. 27 and Nov. 10, up from 41 percent in a similar poll in 2012. —Reuters