



Diver Ocean Ramsey swims next to a female great white shark off the coast of Oahu, Hawaii on Jan 15, 2019. — AFP

## Women march in US cities for...

Continued from Page 1

Sarah Sportman, a 40-year-old archeologist from Connecticut, said she came to Washington to protest Trump's presidency and march for protecting the environment and immigration rights. "I just don't like the direction our country is going in and I think that we can do a lot better," she said. Activists say the marches were also a chance to celebrate the gains made in the 2018 elections, which saw more women elected to the US Congress than ever before. The newly elected women - nearly all Democrats - include the first Muslim women and first Native American women in

Congress, as well as the first black women to represent their states in New England. Many cited Trump's presidency among the reasons they decided to run for office.

As the political movement that grew out of hundreds of loosely affiliated marches in 2017 has grown, divisions have emerged. In some cities, like New York and Washington, there were more than one march or demonstration due to criticism that some Women's March leaders are anti-Semitic - a charge those leaders have sought to dispel in recent interviews and statements.

The marches also have been criticized as being unwelcoming to conservative women, who may support Trump's presidency and oppose abortion rights. The "March for Life" by anti-abortion campaigners was in Washington on Friday, attended by Vice President Mike Pence. Leaders of Women's March and March On say there is a role for everyone. "We are all part of the same movement, regardless of any divisiveness or any drama that goes on," Sanchez said. — Reuters

## Standard & Poor's forecasts...

Continued from Page 1

"According to high frequency official data, output grew by 0.6 percent over the first nine months of 2018 year-on-year. We have accordingly revised our growth estimate for the year down to 1 percent from 2 percent previously. We estimate that growth picked up in the second half of the year following OPEC's decision to increase oil production in the summer. However, we expect this pick-up in economic activity to prove temporary given OPEC's Dec 2018 agreement to once again cut production for an initial period of six months starting January 2019.

"According to the agreement, production will reduce by 0.8 million barrels per day (mb/d) from October 2018 levels of around 32 mb/d, which represents a roughly 2.5 percent decrease. Although the exact allocation of cuts between various member countries is not clear, we assume that for full-year 2019 Kuwait's production will decline by 1.5 percent based on our expectation that the cuts will be discontinued at some point before year-end. "Importantly, we don't expect a repeat of the outright contraction in output that happened in 2017 during the previous round of cuts. This is mainly due to the firming of non-oil GDP growth alongside a gradual increase in gas production, which is not subject to OPEC agreement. Overall, we expect real GDP growth of 1 percent in 2019, compared to our previous forecast of 3.2 percent.

"Beyond 2019, we expect growth rates to accelerate to an average 2.5 percent over 2020-2022. This is due to: Gradually increasing oil production capacity. Kuwait intends to increase the maximum oil production capacity toward 4 mb/d over the medium term from about 2.7 mb/d currently. This should be achieved through both new oil site discoveries as well as enhancing output at the already existing mature fields.

"An additional boost could come from restarting production within the so-called Partitioned Neutral Zone (PNZ) between Kuwait and Saudi Arabia, which was previously halted due to a number of disagreements between the two countries. We understand that restarting the PNZ production could add around 0.3 mb/d to daily output. Although it remains to be seen whether the 4 mb/d target is realistic, our baseline forecast assumes a steady increase in production levels over 2020-2022.

"Several investment projects are planned by the government. These target an expansion of Kuwait's refining capacities including the completion of the large Al-Zour refinery as well as the so-called Clean Fuels Project aimed at modernizing existing refineries. Nevertheless, in line

with trends in recent years, we believe Kuwait's economic growth on a per capita basis will remain below peer sovereigns at a comparable level of economic development.

"We estimate Kuwait's net general government assets at 400 percent of GDP as of end-2018, which is the highest ratio of all the sovereigns we rate. Despite our projection of lower oil prices, the general government budget will post surpluses underpinned by investment returns on accumulated sovereign wealth fund assets. We expect the Kuwaiti dinar (KWD) will remain pegged to a USD-dominated currency basket and that the Central Bank of Kuwait's (CBK) monetary policy will continue to be closely aligned with that of the US Federal Reserve. We forecast that as oil prices reduce from 2018 levels, Kuwait's central government deficit will rise from 6.5 percent of GDP last year to an average of 19.5 percent over the next four years.

"The general government budget (which excludes mandatory annual transfers to the FGF and includes the estimates for investment returns on existing stock of KIA assets) will remain in surplus, averaging 7 percent of GDP over the same period. This mostly reflects investment returns from managing the KIA. Despite the surplus general government budget, the authorities still plan to borrow to cover deficits at the central government level. We estimate that future central government deficits will be financed via both asset drawdowns from the GRF as well as debt issuance.

"Accordingly, we project general government debt will rise above 50 percent of GDP in 2022 from less than 20 percent in 2017 reflecting a combination of both domestic and international issuance. This is based on our expectation that the government will pass the new debt law soon, raising the debt ceiling and authorizing extra borrowing. Largely mirroring its fiscal position, Kuwait's external balance sheet also remains very strong. We note that despite the detailed public data on Kuwait's balance of payments performance, there is no official international investment position statistics. This hampers our full assessment of external risks.

"Nevertheless, based on available data, we estimate that the country is in an external asset position of around 450 percent of GDP. With the exception of 2016, Kuwait has consistently run current account surpluses - reflecting large volumes of oil exports, favorable prices, and low production costs. We estimate the current account surplus was 14 percent of GDP in 2018. Taking into account our projections of oil prices staying at \$55/bbl on average over the medium term, we anticipate that current account surpluses will moderate, reaching balance toward 2022 as the import bill continues to grow.

"We believe there is upside potential to this forecast - say if oil production grows faster than we currently anticipate. Despite the challenging operating environment, the Kuwaiti banking sector remains resilient with stable profitability and improved asset quality. In our view, concentration in the commercial real estate segment remains a key credit risk for banks." — KUNA

## Mexico fuel pipeline blast...

Continued from Page 1

The tragedy comes during a highly publicized federal government war on fuel theft, a problem that cost Mexico an estimated \$3 billion in 2017. President Andres Manuel Lopez Obrador traveled to the scene early yesterday. "I am deeply saddened by the suffering in Tlahuelilpan caused by the explosion of a pipeline," the leftist leader wrote on Twitter. "I call on the whole government to assist people there."

Federal and state firefighters and ambulances run by state oil company Pemex rushed to help victims with burns and take the injured to hospitals. Local medical facilities struggled to cope with the flood of arriving victims, said AFP correspondents at the scene. By around midnight Friday the fire had been brought under control, the security ministry said. Pemex said it was also responding to another fire at a botched pipeline tap in the central state of Queretaro, though in that case there were no victims.

Mexico is regularly rocked by deadly explosions at illegal pipeline taps, a dangerous but lucrative business whose players include powerful drug cartels and corrupt Pemex insiders. Fayad said that, two hours after the pipeline was punctured, "we were informed that there had been an explosion" and the flames "were consuming everything around." About 15 oil pipeline explosions and fires causing more than

## Real progress needed at new...

Continued from Page 1

Vietnam's cooperation with the United States has been growing for years as Hanoi - much unlike Pyongyang - sets aside memories of war.

"Now the hard work begins," said Harry Kazianis of the Center for the National Interest in Washington. "Both nations must now show at least some tangible benefits from their diplomatic efforts during a second summit, or risk their efforts being panned as nothing more than reality TV." The North has carried out six nuclear tests and launched missiles capable of reaching the entire US mainland, but the exact size of its atomic armory remains unconfirmed.

"All efforts should be poured into having the North come to the table with a complete list of its nuclear arsenal," Kim Sung-han, professor of international relations at Korea University, told AFP. The declaration would be a tangible step in itself, he said, adding Trump should not lift sanctions or agree to formally end the 1950-53 Korean War - when hostilities stopped in a ceasefire rather than a peace treaty - for "anything other than the list". When South Korean President Moon Jae-in, who has sought to engage the North as he brokered the talks process, went to Pyongyang in September for his third summit with Kim, his host offered to shutter a missile-testing site and the Yongbyon nuclear complex if the US takes unspecified "corresponding measures". Washington has repeatedly said it expects the North to give up its nuclear arsenal, doggedly developed over decades by the Kim dynasty, at a vast cost in resources and isolation, and multiple sets of international sanctions.

50 fatalities each have occurred around the world since 1993. Most were in Nigeria, where in 1998 more than 1,000 people died in such a blast. A fire after a pipeline rupture in Brazil killed more than 500 people in 1984.

The tragedy comes as anti-corruption crusader Lopez Obrador presses implementation of a controversial fuel theft prevention plan. The government has shut off major pipelines until they can be fully secured and deployed the army to guard Pemex production facilities. But the strategy to fight the problem led to severe gasoline and diesel shortages across much of the country, including Mexico City, forcing people to queue for hours - sometimes days - to fill up their vehicles.

The president, who took office on Dec 1, has vowed to keep up the fight and asked Mexicans to be patient. At the scene, some locals blamed the shortages for the tragedy. "A lot of people arrived with their jerrycans, because of the gasoline shortages we've had," said Martin Trejo, 55, who was searching for his son, one of those who had gone to collect the leaking fuel. He also lashed out at the army for failing to stop the looters. "These lives would have been saved if they had done their jobs to remove people and not let them get close. They never did anything." Tanker trucks are being used to deliver fuel, but experts say there are not nearly enough of them. Mexican bank Citibanamex estimated Wednesday that the shortages would cost Latin America's second-largest economy around \$2 billion, "if conditions return to normal in the coming days." The roots of the fuel theft problem run deep in Mexico, where the practice - known locally as "huachicoleo," or moonshining - is big business for some communities. — AFP

But the North sees denuclearization more broadly, seeking an end to the sanctions and what it sees as US threats against it - sometimes referencing Washington's military deployments in the wider region, such as Japan and Guam. An absence of a clearly-worded agreement will raise skepticism over Pyongyang's sincerity, pointed out Lim Eul-chul, professor of North Korean studies at Kyungnam University. "If the wording of a second summit agreement is similar to the June 12 statement, it will make it very difficult for Trump to defend his North Korea policy," he said.

Pyongyang might agree to shut down the Yongbyon complex and a missile test center in the presence of international inspectors, Lim said, but "only if Washington eases sanctions and agrees to the end-of-war declaration". And some analysts have raised concerns about recent Trump administration comments about removing the threat to the US, suggesting that could imply the North giving up its intercontinental ballistic missiles while retaining its bombs and the ability to threaten its near neighbors.

The issues are complex and the details will be key. But unlike other such diplomatic processes, there have not been repeated rounds of lower-level talks to prepare for the second Kim-Trump summit. Stephen Biegun, the US special representative on North Korea, was to attend a conference in Sweden starting yesterday that will involve Pyongyang officials. He was expected to sit down with Choe Son Hui, a top North Korean diplomat intimately involved in the US-North Korean relationship.

For the next summit to go well, Biegun and Choe "need to spend scores of hours talking in the next weeks", tweeted Ankit Panda of the Federation of American Scientists. But there was a "fundamental tension" between the two sides. MIT professor Vipin Narang responded: "For the summit to be worthwhile for the US, the working level talks have to make a lot of progress. But for the summit to be worthwhile for NK, they want to make as little progress as possible". — AFP