

## Business

# Gulf Bank congratulates winner of its 5th monthly salary draw

## Winner claims a cash prize of up to 12 times his salary

KUWAIT: Gulf Bank has announced the winner of its fifth monthly Salary Account draw of the year. This month's lucky winner, Wadha Nafae Al-Otaibi, will take home a cash prize of up to 12 times her salary.

The draw, which took place live at Q8 Pulse 88.8 FM (Diwanayat Ayaqout and Al-Ansari show), in the presence of a representative from the Ministry of Commerce, is the fifth salary draw this year. To date, Wadha Al-Otaibi is one of five winners of this year's monthly draws, each of whom took home cash prizes.

With the new 2019 Kuwaiti salary offer, new customers who transfer their salaries to Gulf Bank are automatically enrolled in the monthly draws, giving them the chance to win cash prizes of up to 12 times their salary. Customers are also enrolled in a yearly draw of Kuwait's largest salary prize, a cash prize of up to 100 times the winner's salary.

Gulf Bank's Salary Account also gives new customers the opportunity to receive either a KD 100 cash gift upon transferring their salaries to Gulf Bank or an

interest-free loan of up to KD 10,000. Customers must have a minimum salary of KD 500 and are eligible for the offer following their first salary transfer to Gulf Bank.

Customers can also enjoy additional benefits like a Visa or MasterCard credit card free of charge for a year. They can also apply for a loan of up to KD 70,000 or a consumer loan of up to KD 25,000.

To find out more about Gulf Bank's Salary Account, customers can visit one of the Gulf Bank's 58 branches or log on to [www.e-gulfbank.com](http://www.e-gulfbank.com). Customers can also contact the Customer Contact Center on 1805805 or direct their queries through the WhatsApp service on 65805805 for assistance and guidance.

Gulf Bank is one of the leading conventional banks in Kuwait with total assets of KD 6 billion for year ending 31 December 2018. The Bank provides a broad offering of consumer banking, wholesale banking, treasury, and financial services through its large network of 58 branches and more than 200 ATMs in Kuwait.



## BoE policymakers bang drum for higher rates despite Brexit clouds

LONDON: Bank of England Deputy Governor Ben Broadbent added his voice to reminders from the central bank that it still wants to raise interest rates, but one of his colleagues, Gertjan Vlieghe, struck a different note by highlighting recent weak data. The US Federal Reserve and the European Central Bank have sounded more dovish after trade tensions grew between the United States and China, but the BoE has kept the door open for tighter policy.

Governor Mark Carney told investors last month that they were wrong to price in just one BoE rate rise over the next three years. While Britain's economy is shrouded in uncertainty about Brexit, data yesterday showed that wages are growing strongly, raising the prospect of inflation pressure ahead.

But financial markets think the BoE is more likely to cut rates than to raise them over the coming year, given the risk of a disorderly departure from the European Union on Oct. 31 as well as the slowing world economy. Broadbent said yesterday he still shared the BoE's view from early May that rates would need to rise faster than markets expect. "Were the economy to develop in line



LONDON: BoE Governor Mark Carney attends a monetary policy committee in London. —AFP

with our projection ... interest rates would probably have to rise by a little more than what was in the curve at the time of the forecast," he told legislators.

Broadbent said he was not particularly bothered if markets disagreed with the BoE's outlook, given the deep uncertainty about Brexit which could change the outlook significantly. The BoE's forecasts assume that Britain will avoid an abrupt departure from the EU.

### Global risks

Two other BoE policymakers, chief economist Andy Haldane and Monetary Policy Committee external member Michael Saunders, have made the case for a rate rise more forcefully in recent days. Haldane said the time was nearing for a rate rise to nip inflation pressure in the bud, while Saunders said Brexit uncertainty was not a reason to delay tighter policy

for ever. But Vlieghe, another MPC external member, was more cautious when asked about his colleagues' views yesterday.

"The news since May I think has been ... a little disappointing and in terms of both the global downside risks and the domestic downside risks my read is that they have both intensified," Vlieghe said at a panel discussion hosted by the National Institute of Economic and Social Research (NIESR). NIESR forecast on Monday that Britain's economy was on track to contract during the current quarter for the first time since 2012, after official data showed a 0.4 percent fall in GDP in April. This decline was driven by planned closures by car factories which had feared disruption around the original Brexit date of March 29 date.

Saunders, speaking at a business event in Southampton late on Monday, said the BoE had forecast a slowdown in the second quarter after pre-Brexit stockpiling boosted first-quarter growth.

Speaking to legislators yesterday, just before Broadbent, he said he expected consumer spending to beat the BoE's forecasts, adding to inflation pressures.

Britain's job market continues to be strong - bucking the subdued trend in most of the economy since June 2016's Brexit referendum - and official data yesterday showed faster-than-expected wage growth and job creation during April. Pay excluding bonuses rose at its fastest annual pace since May 2008 in April alone, up 3.8 percent on the year. "If the BoE wants to push back against a dovish market ... this data may provide some ammunition," HSBC economist Elizabeth Martins wrote in a note to clients. The BoE announces its next policy decision on June 20. — Reuters

## Cubans left frustrated by slow and costly Internet rollout

HAVANA: Six months on from the euphoria that greeted full Internet access for mobile phones on the communist-run island, frustrated Cubans complain it is too expensive, too slow and crippled by government censorship. Hundreds have joined a Twitter campaign to call for affordable rates.

"We are hungry, hungry for information, hungry for online surfing, hungry for knowledge and intellectual freedom," summed up one user. "It's not possible that the Internet is a luxury in the 21st Century," said another campaigner using the hashtag #BajenLosPreciosDeInternet—"drop Internet prices" in Spanish. Another accused state-owned telecommunications company Etecsa of spying on the population. Etecsa "is spying on us and censoring us with full impunity."

### Blocked sites

"Cubans' purchasing power is one of the lowest in the American continent, so is the minimum wage and access to the Internet is not among the cheapest," said Norges Rodriguez, who runs a technology blog, Yucabyte.org. Mobile packages run from \$7 for 600 megabytes to \$30 for 4 gigabytes. Those prices put it out of reach for the vast majority of Cubans who subsist on a wage of around \$30 a month paid by public sector jobs. Uptake is poor for home Internet. Only 79,000 homes have signed up to the service, — out of a population of 11.2 million.

"If you want to connect to the Internet at home 24 hours a day, seven days a week, you have to pay the equivalent of \$800 a month. "There is no flat rate on that service, as you have in the rest of the world," he said. Rodriguez said the Havana government also banned any news sites critical of the government. "The government has blocked all media websites with content they dislike."

The ongoing US embargo means sites like Google, Apple and Amazon cannot be accessed from Cuban IP addresses, said Rodriguez. The government recently greenlighted the importation of routers to allow private wifi networks, albeit using state-monopoly Etecsa servers.

Critics say the dollar-an-hour cost makes it too expensive. Before the roll-out of 3G technology in December-opening up the online world to the country's 5.3 million smartphone users—the Internet was available to the general public only via wifi hotspots, payable by the hour.

### No turning back

Last year, Abraham Jimenez discovered that his online magazine, El Estornudo, was blocked. "Readers started to write to me saying they couldn't access it, and when I realized I couldn't either, I thought it was a server problem," he says. Sixteen months later, the site—which offers an independent view of the news—remains inaccessible in Cuba. He never received an official explanation over why it was blocked.

He says the Havana government is scared about the reach of social networks, especially since the arrival of 3G. "This has generated a different discourse from the official discourse, with real life effect," says Jimenez. "Now, once they organize online, Cubans can demonstrate against animal abuse, for the rights of the LGBT community, protests like that would have been unthinkable in the past."

"That's what the government is afraid of," Larry Press, professor of information systems at the University of Texas and author of a blog on the Internet in Cuba, agrees. "When the Internet was first launched, Cuba was possibly one of the most advanced nations in Latin America and the Caribbean" because of connections built-up by the Soviet Union. "In the pre-Internet network they were doing quite well. Then they got an Internet connection that was subsidized by the United States. They decided not to follow the Internet, to not let it in," fearing a large-scale rollout would lead to social unrest and a political shift similar to Moscow's Perestroika. — Reuters

## Fiat Chrysler taps Aurora for self-driving vehicles

WASHINGTON: Fiat Chrysler Automobiles said Monday it would develop self-driving systems for its commercial vehicles in partnership with Aurora Innovation, a tech startup led by a former Google car executive. Under the partnership, Aurora will supply a self-driving platform that comprises the hardware, software, and data services that aim for "level 4" autonomy which can navigate without human intervention.

"As part of FCA's autonomous vehicle strategy, we will continue to work with

strategic partners to address the needs of customers in a rapidly changing industry," said Mike Manley, FCA's chief executive. "Aurora brings a unique skillset combined with advanced and purposeful technology that complements and enhances our approach to self-driving."

The deal is the latest for Aurora, co-founded by former Google car executive Chris Urmson, and which has integrated its technology into sedans, SUVs, minivans and trucks. "We are thrilled to forge a partnership with FCA US to develop a meaningful business model for delivering the benefits of self-driving commercial vehicles," said Sterling Anderson, Aurora co-founder and chief product officer.

Aurora earlier this year secured \$530 million in new funding that included a "significant" investment from Amazon. The funding round led by Silicon Valley venture capital powerhouse Sequoia reportedly valued the startup launched just two years ago at



BURLINGAME, California: The Fiat logo is displayed near a car at a Fiat dealership in Burlingame, California. — AFP

more than \$2.5 billion.

Aurora is developing the technology for autonomous vehicles, but leaving the making of cars to other companies, working alongside, rather than compet-

ing with automakers. Volkswagen said last year it would work with Aurora to create self-driving cars, hoping to deploy fleets of autonomous taxis to city streets by 2021. — AFP

## Underlying US producer inflation pushing higher

WASHINGTON: US producer prices increased solidly for a second straight month in May, boosted by a surge in the cost of hotel accommodation and gains in a range of other services, pointing to a steady pickup in underlying inflation pressures. The report from the Labor Department yesterday likely supports the Federal Reserve's view that the recent weak inflation readings are probably transitory.

Fed policymakers are scheduled to meet on June 18-19 against the backdrop of rising trade tensions, slowing growth and a sharp step-down in hiring in May that have led financial markets to price in at least two interest rate cuts by the end of 2019. Fed Chairman Jerome Powell said last week that the US central bank was closely monitoring the implications of the trade tensions on the economy and would "act as appropriate to sustain the expansion." A rate cut is, however, not expected next Wednesday.

Producer prices excluding food, energy and trade services rose 0.4 percent last month, matching April's gain, the government said. The so-called core PPI increased 2.3 percent in the 12 months through May after rising 2.2 percent in April. Weaker energy and food prices, however, partially offset the increase in services last month. That led the producer price index for final demand to edge up 0.1 percent in May after gaining 0.2 percent in April. In the 12 months through May, the PPI climbed 1.8 percent, slowing from April's 2.2 percent advance.

Economists polled by Reuters had forecast the PPI would nudge up 0.1 percent in May and rise 2.0 percent on a year-on-year basis. US Treasury yields ticked up and the dollar rose to a session high against a basket of currencies after the release of the data. US stock index futures were trading higher.

### Food prices fall

The services-led increase in the core PPI last month is likely to translate into a slightly higher reading for other underlying inflation measures in May. According to a Reuters survey of economists, core consumer prices probably increased 0.2 percent last month after nudging up 0.1 percent in April. The consumer price data will be published today. The Fed's preferred inflation



Shoppers carry bags of purchased merchandise at the King of Prussia Mall, United States' largest retail shopping space, in King of Prussia.

measure, the core personal consumption expenditures (PCE) price index, increased 1.6 percent in the year to April after gaining 1.5 percent in March. Data for May will be released later this month.

In May, wholesale energy prices fell 1.0 percent after rising 1.8 percent in the prior month. Goods prices slipped 0.2 percent last month after gaining 0.3 percent in April. Wholesale food prices fell 0.3 percent in May. Core goods prices were unchanged for a second straight month. Prices for hotel accommodation surged 10.1 percent in May, the most

since April 2009.

That accounted for nearly 80 percent of the rise in services prices in May. Services prices rose 0.3 percent after gaining 0.1 percent in April. The cost of healthcare services increased 0.2 percent last month after increasing 0.3 percent in April. There were increases in the prices for both inpatient and outpatient care last month. Those healthcare costs feed into the core PCE price index. There were also gains in prices for passenger transportation and portfolio management. — Reuters