Zain launches subscription video on demand service 'PlayVOD'

Service in partnership with Digital Virgo

KUWAIT: Zain, the leading digital service provider in Kuwait, yesterday announced the launch of a unique subscription video on demand (SVOD) service, 'PlayVOD', in partnership with Digital Virgo, a France-based specialist in telecom payments, monetization and digital marketing. The new service offers Zain Kuwait's 2.8 million customers access to a wide range of popular movies and TV series, mixing international and regional content.

PlayVOD is currently live in 12 countries and available in five languages, boasting a rich library of 3,000+ movies and TV series, including access to a wide range of movies and TV shows from MBC, one of the largest production houses in the region. Zain customers can subscribe to the premium VOD service using Direct Carrier Billing (DCB).

The inaugural launch of PlayVOD in Kuwait follows a company-wide agreement entered between Zain Group and Digital Virgo earlier this year to provide Zain's 49 million customers across eight markets with access to Digital Virgo's portfolio or premium mobile content and mobile entertainment partners. The deal followed the system's integration with Zain Group's Application Program Interface (API) platform and the deployment of Direct Carrier Billing technology by the telco. PlayVOD is set to be rolled out to other Zain markets progressively in the near future via the Zain Group API Platform.

- The launch of SVOD on Zain's API platform in Kuwait is the first for Digital Virgo following a Group-wide framework agreement with Zain
- PlayVOD offers a rich library of over 3,000 movies and TV series, inclusive of MBC

Modhey Al Sabah, Zain Kuwait's Chief Government Affairs and Business Development Officer said: "The launch of PlayVOD in Kuwait is another example of Zain's pioneering approach to delivering the most compelling user experiences as we transform to become a fully integrated digital lifestyle provider. Our Group-wide API program has made partnering with leading technology and over-the-top (OTT) content providers such as Digital Virgo much easier, with the result being services such as PlayVOD being brought to market much more quickly."

Guillaume Briche, Digital Virgo CEO, commented, "The launch with Zain Kuwait illustrates how we intend to strengthen our international development, particularly in Africa and Middle East, teaming up with major telecom groups to increase our visibility within the digital ecosystem. In these regions, our positioning as an expert in payment, monetization and marketing is unique, and allows us to bring significant value to mobile operators and their end-users."

London retains global finance throne amid Brexit chaos

LONDON: In this file photo, The skyline of buildings in The City of London is seen from Waterloo Bridge as pedestrians walk by in central London. — AFP

LONDON: From the pinnacle of the City of London's largest skyscraper, Stuart Lipton is wagering a $1.2 billion bet that the British capital remains a master of the international financial universe no matter what happens with Brexit. The 76-year-old property developer is not alone. Bankrolled by a host of global investors, including France's Axa, his big-ticket gamble in London's financial district is - so far - on the money.

The cataclysmic warnings during the 2016 referendum that London would lose its financial throne if it voted to leave the European Union (EU) have, so far, been proven wrong. London is still the world's banker, only bigger by some measures. "London is extraordinarily resilient and its future as a finance center is secure because what we have here is unique," Lipton told Reuters on the 61st floor of 22 Bishopsgate, set to become western Europe's second tallest skyscraper when it opens next year.

In the year to June, London has attracted more cross border commercial real estate investment than any other city. It has overtaken New York as destination for fintech investment and it has increased its dominance of the world's $6.6 trillion daily foreign exchange market. Since the vote to leave the EU, Britain has leapfrogged the United States to become the largest centre for trading interest rate swaps, despite calls by ex-French President Francois Hollande to end London's dominance in clearing euro-denominated derivatives.

That London has expanded its influence as an international finance centre is one of the biggest riddles of the United Kingdom's tortuous three year Brexit crisis.

The city's standing ensures the United Kingdom keeps one of its last big chips at the top table of world politics just as it splits from the EU. It also means EU companies will still come to London to raise finance outside the bloc after Brexit, a fact not lost on Wall Street heavyweights such as Goldman Sachs and JP Morgan. Just a mile away from 22 Bishopsgate, Goldman opened its new 1 million square foot European headquarters - complete with mothers' rooms and wildflowers on the roof - in July, three years on from the 2016 referendum.

Largely abandoned by the British government during Brexit talks, ten senior industry officials told Reuters London's financial services sector has grown since 2016 because there is no realistic competitor in its time zone. And high-rolling bankers are too attached to its Anglo-Saxon, work-hard, play-hard culture.

The chief executive of the British division of one of Europe's largest banks said although some business will move to the EU, most senior bankers will be reluctant to leave London. He would consider taking a 20% pay cut to remain in the city.

"If you are an Italian banker, who moved out to London 20 years ago, and your kids go to private school around the corner then you are not going to move to Frankfurt," he said.

Master of the universe

A global hub for trading, lending and investing, London is the largest net exporter of financial services in the world, with the EU accounting for a quarter of the business. The 2016 referendum shocked many of the masters of London's financial universe, triggering the biggest one-day fall of the pound since the era of free-floating exchange rates was introduced in the early 1970s.

But so far, most major financial institutions have opted against moving large numbers of people and activities until the loss of access to the EU's lucrative single market is confirmed. Banks, insurers and asset managers have shifted over a trillion euros of assets such as derivatives and bonds from London to the continent and opened new EU hubs as a hedge against London suddenly being cut off from the bloc if Britain exits the EU without a formal agreement.

The Bank of England estimates around 4,000 people may have moved by the time Britain has exited the EU. But the key decisions are still taken in London. Reuters contacted JP Morgan and Goldman, and rivals Citi , Bank of America, UBS, Morgan Stanley, Credit Suisse and Deutsche Bank, to seek details on how a 'no deal Brexit' might accelerate the transfer of resources and activities from London.

All banks said they were prepared for a no-deal Brexit, and had been since the first quarter. Earlier this year, Morgan Stanley's chief executive, James Gorman, said that he scarcely worried about Brexit. "That's not in my top 200 issues," he said. — Reuters

US oil and gas jobs fall as drilling declines

LONDON: US oil and gas employment has started to fall as the sector contracts in response to lower prices over the last year - and further job losses are likely in the next few months as the rate of well drilling declines further.

In 2017/18, the second shale-oil boom created almost 100,000 new high-paying jobs in oil and gas drilling as well as associated services such as site preparation, cementing, casing and pressure-pumping. Employment gains in the oil and gas sector also helped support tens of thousands more jobs along the supply chain including trucking, accommodation, retail and leisure services. The impact was felt intensively in some local areas - especially those overlaying the oil- and gas-rich Permian Basin in western Texas and eastern New Mexico. Non-farm employment in the Midland metropolitan area at the heart of the Permian in Texas surged at an annual rate of 15 percent in the first nine months of 2018, data from the US Bureau of Labor Statistics shows.

Non-farm jobs in the Odessa metro area, another Permian boom town, were up more than 10 percent in the first three quarters of 2018 compared with a year earlier. But the persistent slump in oil prices since the start of October 2018 has brought job creation to a halt and replaced it with a gradual but steady trickle of layoffs.

Layoffs

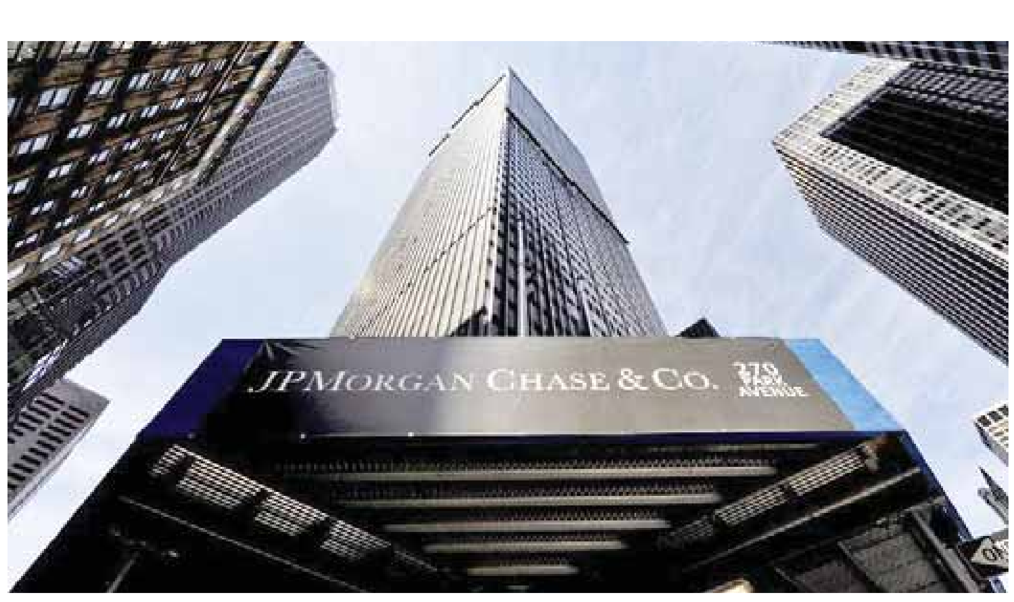
Nationwide, the number of jobs at companies providing support services to the oil and gas industry, including site preparation and construction, has fallen progressively over the last year. Employment in oil and gas support activities, subsector 213112 in the North American Industry Classification System, had fallen by 14,000 or 5 percent between its cyclical peak in October 2018 and August 2019. Job losses have coincided with the downturn in activity shown in weekly drilling reports from oilfield services company Baker Hughes, but more job losses could still be on the way.

Since November 2018, the number of rigs drilling for oil has fallen by 176 (20 percent) and for gas by 51 (26 percent), according to Baker Hughes. Job losses have been much smaller, so far.

Oilfield services companies have kept busy completing the large inventory of oil and gas wells inherited from 2018 and putting them into production. Delayed completions of wells originally drilled in the second half of 2018 and early 2019 have largely sustained oilfield employment and ensured oil and gas output continues rising. But the downturn in well drilling has started to filter through to fewer completions in recent months, which will put more pressure on jobs and production. Completion rates for oil and gas wells fell every month between April and August, according to the US Energy Information Administration (EIA). Even so, completions are still outpacing the number of new wells drilled, with the result that the inventory of drilled but uncompleted wells is shrinking. The number of drilled but uncompleted holes shrank by 536 (11 percent) between January and August, according to the EIA.

Even if drilling rates fall no further, completion rates seem likely to decelerate more, which will cut employment and slow production growth. Employment losses in oil and gas will hit local job markets hard, especially where local firms had expanded expecting a continued boom. The entire oil and gas supply chain and job market will remain under pressure until the global economic outlook improves and oil consumption growth returns closer to its long-term trend rate. — Reuters

US banks report mixed earnings



NEW YORK: Large US banks reported mixed quarterly results yesterday, challenged by a shifting interest rate landscape and uncertainty about global trade but bolstered in some cases by strong consumer activity.

The biggest US bank by assets, JPMorgan Chase, scored higher profits due to robust consumer lending even as Chief Executive Jamie Dimon offered a subdued outlook on the US economy, due in part to lingering worries about an economic slowdown due to the trade war.

Earnings also rose at Citigroup, but profits fell sharply at Goldman Sachs amid a drop in key advisory services and at Wells Fargo, which was hit by higher legal costs as it continues to try to pivot from a series of scandals and regulatory issues.

JPMorgan reported profits of $9.1 billion, up 8.4 percent from the year-ago period. Revenues were $29.3 billion, up 7.3 percent. The increase in profits comes as large banks manage a shift in monetary policy by the US Federal Reserve that has dampened the industry's profit outlook somewhat.

Lower interest rates typically weigh on earnings at banks, which earn profits from the margin between their loans and deposits. On the upside, JPMorgan scored higher revenues in home lending as mortgage costs for consumers eased. The company also reported another increase in credit cards and auto lending.

US economic growth has "slowed slightly," Dimon said. "The consumer remains healthy with growth in wages and spending combined with strong balance sheets and low unemployment levels," Dimon added. "This is being offset by weakening business sentiment and capital expenditures mostly driven by increasingly complex geopolitical risks, including tensions in global trade."

At Goldman Sachs, third-quarter profits were $1.8 billion, down 26.9 percent from the year-ago period. Revenues were $8.3 billion, down 5.6 percent.

The investment bank suffered a drop in financial advisory and equity and debt underwriting revenues but won an increase in trading businesses that have been a headwind in recent quarters.

Wells Fargo also suffered a significant drop in profits, which came in at $4.6 billion, down 23.3 percent.

Revenues edged up slightly to $22 billion. Results were dented by $1.6 billion in litigation costs connected to a fake accounts scandal that has weighed on the bank since late 2016.

Wells Fargo announced late last month that it named Charles Scharf as its new chief executive to begin later this month. At Citigroup, net income was up 6.3 percent at $4.9 billion on a one percent rise in revenues to $18.6 billion.

Chief Financial Officer Mark Mason described the client environment as cautious. "You look in the market and see cautious sentiment around things like capital spending, things like mergers and acquisitions and things like IPOs," Mason said on a conference call with reporters. "You certainly hear that in conversations with clients." Shares of JPMorgan rose 2.2 percent to $118.95 in pre-market trading, while Goldman Sachs fell 2.3 percent to $201.10. Citigroup fell 0.9 percent to $69.62 and Wells Fargo shed 1.1 percent to $48.73. — AFP

UK hiring falls by most in over four years as Brexit nears

LONDON: Britain's jobs boom has weakened in the approach to Brexit with the number of people in work unexpectedly falling by the most in over four years and unemployment rising, official data showed yesterday.

Employment fell by 56,000 to 32.69 million in the three months to August, the Office for National Statistics said. Economists polled by Reuters had expected growth of 23,000. The number of people out of work rose by 22,000 to just over 1.31 million, the ONS said. Britain's strong labor market has been the silver lining for the economy since the Brexit referendum in 2016, something many analysts attribute, in part, to firms hiring workers that they can later lay off rather than making longer-term commitments to investment.

But there were signs in yesterday's figures that employers were turning more cautious. The unemployment rate unexpectedly rose to 3.9 percent from a 3.8 percent, which had been its joint lowest since the mid-1970s, while vacancies fell to their lowest level since the three months to November 2017. "Challenging economic conditions are starting to take the shine off the UK's job boom," Tej Parikh, chief economist at the Institute of Directors, an employers group, said. "Business leaders' long-lasting drive to expand their workforce has put the labor market in a strong position. However, firms are now increasingly coming up against uncertainty and the shrinking supply of available talent." Many employers are worried about Prime Minister Boris Johnson's pledge to take Britain out of the European Union on Oct. 31 without a transition deal to smooth the economic shock if necessary. However, lawmakers have passed legislation that they say will force him to seek a delay from Brussels. A survey published separately yesterday by Britain's main auto industry group showed jobs cuts at one in three firms in the sector, which risks being a big loser from Brexit. That was up from one in eight just under a year ago. As well as worries about Brexit, Britain's economy is feeling the drag from rising US-China trade tensions which have weighed on global growth.

The ONS labor market data showed a dip in the pace of pay growth which recently hit its fastest in more than 10 years. Total earnings growth, including bonuses, rose by an annual 3.8 percent in the three months to August, slowing from 3.9 percent in the three months to July and weaker than the median forecast of 4.0 percent in the Reuters poll. Excluding bonuses, which smoothes out some volatility, pay growth similarly slowed slightly to 3.8 percent, but was a touch ahead of the Reuters poll forecast of 3.7 percent.

The trend in pay growth is being watched closely by the Bank of England. Deputy Governor Dave Ramsden said in a newspaper interview published on Sunday that wage costs were "picking up quite significantly, which will drive domestic inflationary pressure." However, the BoE is waiting for more clarity on Brexit before any decision to resume its gradual and limited program of interest rates hikes. — Reuters