

# Trump hails \$10 bn investment from Foxconn



US President Donald Trump

Washington

President Donald Trump on Wednesday unveiled a \$10 billion US investment by Apple supplier Foxconn to build a plant in Wisconsin.

The businessman-turned-president made the announcement side by side with the Taiwanese tech giant's CEO Terry Gou, as he tried to show his "America First" economic rhetoric is making a difference.

Trump said the plant -- which will make LCD panels

-- will create at least 3,000 jobs in the midwestern state, and was quick to stress he played a role in making the deal happen.

"If I didn't get elected, he would not be spending \$10 billion," Trump said, thanking Gou for his "faith and confidence in the future of the American economy."

Foxconn said the plant could eventually bring more than 13,000 new jobs to Wisconsin, with Gou adding it was the first in a series of facilities

the company would build in several US states.

"Wisconsin offers a talented, hard-working workforce, and a long track record in advanced manufacturing, all of which presents an extraordinary opportunity," the Taiwanese tycoon said in a statement.

Manufacturing in the US would allow the company to better serve its customers, which included "iconic" American technology companies, Gou added.

Trump allies said Gou had

spotted an abandoned factory and suggested it be used, and Trump personally met Gou in April to push the deal forward.

Trump has made returning manufacturing jobs to America's heartland a key plank of his domestic policy.

The investment is a double win for Trump, burnishing his reputation as a job creator and putting those jobs in a key battleground state, which he won in 2016 by a single percentage point.

# Samsung on track to beat Apple

Seoul

South Korean tech giant Samsung Electronics posted record-breaking earnings yesterday, putting it on course to better rival Apple's quarterly profits as it seeks to move past a bribery scandal and a damaging recall debacle.

The firm said huge sales of its new Galaxy S8 smartphone and demand for its memory chips were behind the jump in April-June and predicted another blockbuster report for the current quarter to September.

It said operating profit soared a forecast-beating 72.9 percent from the previous year to 14.07 trillion won (\$12.6 billion), compared with consensus forecasts of \$10.6 billion for US titan Apple, which is due to report next week.

However, Greg Roh, an analyst at HMC Investment Securities, told AFP: "Samsung has surpassed its rivals for now but Apple usually sees little fluctuation in its profits whereas Samsung's profits fluctuate largely on memory chip prices." Apple is expected to outstrip Samsung in full-year results.



A woman walks past advertising showing the Samsung Galaxy Note Fan Edition smartphone

The world's top maker of smartphones and memory chips also said net profit surged almost 90 percent to 11.05 trillion won, its best quarterly result in five years.

Samsung shares ended down 0.08 percent in Seoul.

"The S8 has indeed helped get Samsung back onto its feet, hopefully putting the Note7 debacle behind it," Bryan Ma, a technology industry analyst at IDC, said before the announcement.

"But we also have to keep in mind that a lot of Samsung's momentum is from memory and displays too, so it's not all about the S8, either," he said, according to Bloomberg News.

Reputation

Samsung has been trying to overcome an embarrassing recall last year of its flagship Galaxy Note 7 smartphone over exploding batteries, which cost it billions of dollars and dealt a blow to its reputation.

It has also been buffeted by a scandal that has seen vice-chairman and heir Lee Jae-Yong charged in connection with the sprawling corruption scandal that brought down South Korean president Park Geun-Hye.

The semiconductor business raked in 8.03 trillion won in operating profit in the second quarter, up 204 percent from the previous

year. Samsung provides its chips to other companies including Apple.

"The components businesses drove significant earnings growth... thanks primarily to strong memory demand for high-density DRAMs and SSDs for servers," the company said.

This month the firm said it will invest 20.4 trillion won by 2021 to expand and upgrade its chip plants in the South Korean cities of Pyeongtaek and Hwaseong.

The factory in Pyeongtaek, 70 kilometres (44 miles) south of Seoul, is the world's biggest and has recently started production after the firm spent 15.6 trillion won in two years to build it.

Samsung also plans to expand its NAND chip plant in the Chinese city of Xian to meet booming demand for the chips used in high-end storage products, it said.

With demand for Samsung's memory chips forecast to continue until next year, analyst Roh said: "Samsung is expected to post another record profit in the third quarter at around 15 trillion won." (AFP)

## Facebook profit jumps

San Francisco

Facebook on Wednesday reported a surge in profits in the past quarter, fuelled by strong growth in money-making ads to its more than two billion users.

Net profit in the second quarter leapt 71 percent from a year ago to \$3.9 billion while revenue climbed 45 percent to \$9.3 billion.

In after-hours trade, Facebook shares rose some 3.4 percent to \$171.35 on the stronger-than-expected results.

"We had a good second quarter and first half of the year," said Facebook co-founder and chief executive Mark Zuckerberg.

"Our community is now two billion people and we're focusing on bringing the world closer together."

The number of people using Facebook at least once a month was 2.01 billion at the end of June, an increase of 17 percent



Mark Zuckerberg

from the same time last year, according to the leading social network.

The vast majority of Facebook's revenue came from advertising, and 87 percent of that was derived from ads served to people connecting with mobile devices.

"Given that Facebook growth remains healthy and robust, we believe any lingering concerns over user engagement and social competitors should dissipate," Baird Equity Research analyst Colin Sebastian said in a note to investors.

## Coca-Cola launches revamped diet cola



Representational image

New York

Coca-Cola announced plans Wednesday to launch a revamped "Coke Zero" in the United States as it expands offerings of low-sugar and non-carbonated beverages amid flagging demand for sweet sodas.

The soda, "Coke-Cola Zero Sugar," which is already on the market in much of Europe and Latin America, will be available in the US starting in August. The launch comes at a time when more cities around the US have enacted, or are

weighing, soda taxes.

Coca-Cola announced the plan as it reported a 60 percent drop in second-quarter profits to \$1.4 billion and a 16 percent decline in revenues to \$9.7 billion. Both were hit by the company's move to offload bottling assets in North America as it leans away from its traditional soda offerings.

Sales volume grew for three of the four beverage categories: juice, dairy and plant-based beverages; water, enhanced water and sports drinks; and tea and coffee.

## Amazon pushes into SE Asia with Singapore

Singapore

Amazon launched its express delivery service in Singapore yesterday, the US online retail giant's first foray into Southeast Asia and a move that puts it in direct competition with Alibaba.

Prime Now allows online shoppers in the affluent city-

state of five million people to order a wide range of goods from baby products to food, electronic items and beer.

It marks Amazon's entry into a region of more than 600 million people, where many countries have a growing middle class, and which is seen as the next e-commerce

battleground.

"Amazon's entry augurs well for shoppers in the region who will benefit from more choice, price competition and better delivery services," said Prem Shamdasani, an associate professor for marketing at the National University of Singapore Business School.

Alibaba already has a headstart in the region with an 83-percent stake in Southeast Asia-focused online retailer Lazada.

The Chinese firm, founded by China's richest man Jack Ma, raised its stake in Lazada last month with a further \$1 billion investment.