

business

EU waives customs duties, VAT on imports of medical equipment

Reuters | Brussels

The European Commission approved yesterday requests from EU countries and Britain to temporarily waive customs duties and VAT on imported medical devices and protective equipment to help fight the coronavirus epidemic.

The duty-free kit includes masks, testing kits and ventilators and the exemption will apply for a period of 6 months, with a possibility for further extension. The decision takes effect retroactively from January 30.

"By waiving customs and VAT duties on imports of these products from outside the EU, the European Commission will help make those products more accessible," Paolo Gentiloni, EU commissioner for the economy, said in a statement.

3M to make more face masks, ramp up imports to U.S. after Trump order



Various N95 respiration masks at a laboratory of 3M

Reuters

3M Co said yesterday it would increase the production of respirators and import more masks into the United States, after President Donald Trump invoked a law to help ease a shortage in the items needed to protect health staff against the coronavirus.

The company said it will work closely with the Federal Emergency Management Agency to prioritize orders for the masks.

Trump slammed 3M in a tweet late on Thursday after earlier announcing he was invoking the Defence Production Act to get the company to produce face masks.

Coronavirus has cost 2 million jobs in Turkey

Reuters | Ankara

More than two million workers in Turkey have lost their jobs due to measures taken to contain the coronavirus outbreak, the main opposition party said yesterday, as the government moved closer to enforcing stricter curbs on movement to slow its spread.

Oil price barrels ahead as OPEC flags meeting with Russia

● The meeting of OPEC and allies such as Russia has been scheduled for Monday

● Oil prices have fallen to around \$20 per barrel from \$65 at the start of the year

● Trump said he did not make any concessions such as agreeing to a US domestic production cut - a move forbidden by US antitrust legislation.

Reuters | London

The price of crude oil surged again yesterday after OPEC said it would talk to non-members, notably Russia, giving investors hope that they will stop a price war which has created market chaos along with crushed demand because of the coronavirus.

The Saudi-led OPEC group of oil producers and their allies will meet Monday via video conference, a source close to the cartel said.

"There's certainly a lot of optimism that a deal is going to be done," OANDA analyst Craig Erlam said.

Global stock markets fell following another set of devastating American employment numbers, gloomy eurozone services data and news that the number of declared COVID-19 infections had hit one million worldwide.

The US economy shed 701,000 jobs in March amid the damage inflicted by the coronavirus shutdowns -- several times the market's consensus forecast -- while the unemployment rate



Oil producers seem ready to close the valves again

Key figures around 1540 GMT

Brent North Sea crude:	▲ 10.4 pc at \$33.06 per barrel
West Texas Intermediate:	▲ 5.3 pc at \$26.67
London - FTSE 100:	▼ 1.4 pc at 5,406.17 points (close)
Frankfurt - DAX 30:	▼ 0.5 pc at 9,525.77 (close)
Paris - CAC 40:	▼ 1.6 pc at 4,154.58 (close)
EURO STOXX 50:	▼ 1.0 pc at 2,662.99
New York - Dow:	▼ 1.3 pc at 21,127.92
Tokyo - Nikkei 225:	▲ at 17,820.19 (close)
Hong Kong - Hang Seng:	▼ 0.2 pc at 23,236.11 (close)
Shanghai - Composite:	▼ 0.6 pc at 2,763.99 (close)
Euro/dollar:	▼ at \$1.0793 from \$1.0964 at 2100 GMT
Dollar/yen:	▲ at 108.52 yen from 107.17
Pound/dollar:	▼ at \$1.2241 from \$1.2371
Euro/pound:	▼ at 88.18 pence from 88.62 pence

surged to 4.4 percent, the Labor Department reported.

"Likely to worsen"

"The markets are digesting

a larger-than-expected drop in March employment, which is likely to worsen on the heels of the past two weeks of spikes in

jobless claims that approached the 10 million mark," said analysts at the Charles Schwab brokerage.

OPEC's move meanwhile sparked fresh speculation of an oil production cut, one day after US President Donald Trump sparked a record crude price rally by hinting that Russia and Saudi Arabia planned to end their price war with a sharp reduction in output.

According to a Russian source cited by the TASS agency, US officials have also been invited to take part in the meeting.

"It is in all parties' interests to agree to a significant cut," said Michael Hewson, an analyst at CMC Markets.

But even a 10 million barrels per day reduction "is unlikely to be enough to push prices up much higher from here with demand on the floor", Hewson cautioned.

Friday's oil price surge extended a dizzying recovery seen Thursday.

In the runup to the upswing, oil prices had plunged this year as the market reeled from the effects of the new coronavirus pandemic, with WTI shedding around 65 percent of its value in the first quarter.

A price war, triggered last month by Saudi after Moscow refused to tighten oil supply to counteract the sharp drop in demand, added to the bloodbath. "Recession knocking" -

Equity investors remain hostage to uncertainty as they try to gauge the long-term economic impact of the pandemic, which is widely expected to plunge the planet into recession.

"The short-term impact of the coronavirus tragedy is straightforward: a complete shutdown of businesses worldwide is taking a heavy toll on the global economy," Swissquote Bank an-

\$66

was the closing price of Brent at the end of 2019. Now it is trading near \$33 per barrel, a recovery from \$20 per barrel earlier this week

The freefall in prices has spurred regulators in the US state of Texas, the heart of the country's oil production, to consider regulating output for the first time in nearly 50 years, while producers in neighbouring Oklahoma asked state regulators also to consider cuts.

analyst Ipek Ozkardeskaya said. "The coronavirus outbreak hits all layers of the population, has had an impact on each and every single business regardless of their size, and paralyzed each and every household regardless of their wealth," she added.

"You do not need to be an economist or an expert to predict a meaningful recession knocking on the door."

Investors hoped that with trillions of dollars pledged in government support, wild volatility seen at the start of the crisis would give way to some form of stability.

But key stock markets in Europe, after posting strong gains last week, posted hefty weekly losses going in the weekend, with US stock markets on track to follow suit.

Saudi king earmarks \$2.4 billion to pay private-sector workers: state news agency

Reuters | Riyadh

Saudi Arabia's King Salman has ordered up to 9 billion riyals (\$2.4 billion) to be disbursed to pay part of the wages of private-sector workers to deter companies from laying off staff, the state-run Saudi Press Agency reported yesterday.

The latest measure to tackle the fallout from the coronavirus outbreak followed an emergency stimulus package announced last month to shore up the economy.

"Instead of terminating the employment of a Saudi citizen, the employer has the right to ask social insurance to disburse as compensation 60 percent of his salary over a period of three months, with a maximum



A Saudi man walks past a poster depicting Saudi King Salman bin Abdulaziz,

imum limit of nine thousand riyals (per employee) and with a total value of up to 9 billion riyals (2 billion pounds)," the SPA reported, citing a royal order.

The stimulus announced last month by Finance Minister Mo-

ammed al-Jadaan included 70 billion riyals to be set aside to help businesses, with measures including exemptions and postponements of some government fees and taxes.

Brings forward coronavirus

curfew start in three areas

Saudi Arabia has brought forward its nightly curfew by four hours in three areas to combat the coronavirus epidemic, state news agency SPA said.

Starting yesterday, the curfew begins at 3 p.m. (1200 GMT) instead of 7 p.m. in the city of Dammam and the governorates of Taif and al-Qatif, SPA said, quoting a senior interior ministry official. The curfew is lifted at 6 am.

Saudi Arabia has recorded 1,885 infections and 21 deaths, the most among any of the Gulf Cooperation Council states.

The port of Dammam, on the Gulf, is a main entry point for supplies for the oil industry centered in the eastern region and for the rest of the kingdom.

Italian luxury shoemaker Sergio Rossi dies from coronavirus



Reuters | Milan

Italian luxury shoemaker Sergio Rossi has died aged 85 after being hospitalised with the coronavirus, the mayor of the designer's home town said yesterday.

Italy has recorded more deaths from coronavirus than any other country in the world, with 13,915 fatalities as of Thursday.

Rossi died on Thursday in the small town of Cesena in central Italy.