

China says Japan-India cooperation 'should not target' Beijing

AFP | Beijing, China

China said yesterday that cooperation between India and Japan "should not target" Beijing, after the leaders of the other two countries agreed to work more closely on critical minerals.

The strategic commodities, which are used in everything from electric vehicles and smartphones to jet engines and guided missiles, featured prominently during talks between Indian Prime Minister Narendra Modi and Japan's Sanae Takaichi in New Delhi on Thursday.

Asked about the meeting, China's foreign ministry said countries should work to "foster understanding and trust".

"Cooperation between nations... should not target or harm the interests of third parties, let alone serve as a pretext for forming exclusive cliques or stoking confrontation," spokesperson Guo Jiakun told a news conference.

The relationship between Beijing and Tokyo has become more turbulent since

EU chief warns China 'dialogue has to deliver' on trade imbalances

Cork, Ireland

The EU's upcoming trade talks with China have to deliver results, European Commission head Ursula von der Leyen warned Friday, as the bloc weighs action to address its trade imbalances with Beijing.

Her remarks came after talks this week between top European and Chinese trade officials, following which the EU's trade commissioner Maros Sefcovic said Brussels wanted "tangible results" by October from its discussions with Beijing.

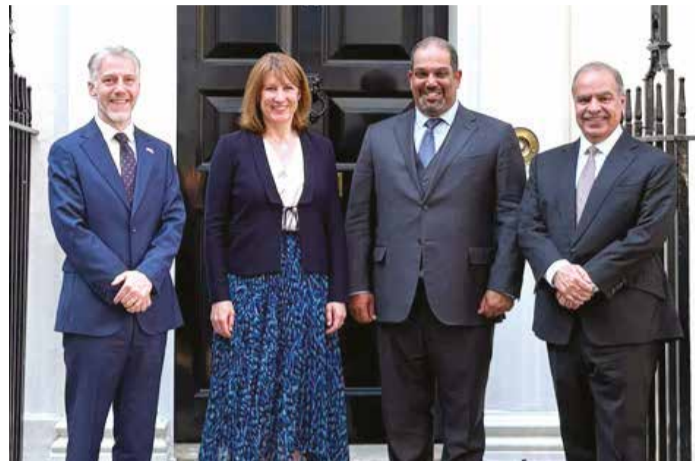
The European Union must continue its dialogue with China, von der Leyen said during a visit to Cork city as Ireland kicked off its six-month presidency of the bloc.

"But the dialogue also has to deliver," von der Leyen told reporters.

Bahrain, UK Deepen Strategic Economic Partnership

Minister of Finance and National Economy, Shaikh Salman bin Khalifa Al Khalifa, reaffirmed the strength of Bahrain's longstanding partnership with the United Kingdom during a meeting with UK Chancellor of the Exchequer Rachel Reeves in London on Friday.

Shaikh Salman said the close bilateral relations between Bahrain and the UK are built on a strong foundation of cooperation and a distinguished strategic partnership across various sectors. He noted that the relationship continues to receive mutual support and attention from both countries, advancing cooperation to broader levels



that serve their shared goals and aspirations.

The meeting was attended

by Bahrain's Ambassador to the United Kingdom, Shaikh Fawaz bin Mohammed Al Khalifa, and

the United Kingdom's Ambassador to Bahrain, Alastair Long.

During the discussions, the two sides reviewed the historic ties between Bahrain and the UK and explored ways to further strengthen financial, economic and investment cooperation. Shaikh Salman highlighted the importance of building on the progress achieved through existing collaboration and expanding partnerships to deliver greater prosperity and mutual benefits for both nations and their peoples.

The meeting also included an exchange of views on the latest developments and trends in the global economy.

India approves buying \$5.46 billion in military equipment



AFP | New Delhi, India

India approved yesterday the purchase of a range of military equipment for its defence forces worth \$5.46 billion, including missiles, electronic warfare systems and Kamikaze drones.

The acquisition was approved "in-principle" by the Defence Acquisition Council (DAC) comprising top military officers and headed by the defence minister, according to a government statement.

The statement said the estimated cost of the deal would be about 520 billion rupees (\$5.46 billion).

It did not specify the period over which the acquisitions would be made or whether the systems approved for purchase will be imported or domestically produced.

The deal included the purchase of anti-drone and electronic warfare systems, medium range surface-to-air and portable anti-tank missiles and a "Jet Based Kamikaze Drone System" for the Indian army, the government said.

The DAC also approved the procurement of new naval mines, shipborne drones and a testing facility for strengthening maritime defence and boosting surveillance capabilities. India also planned to purchase a high-altitude unmanned aircraft platform for the air force, to be used for intelligence gathering and remote sensing.

New Delhi's current defence budget is \$85 billion.

In December, New Delhi began ordering at least 75 ships and submarines, most of them built domestically.

Top officials earlier this year approved the purchase of \$39 billion worth of defence equipment, including Rafale jets from France.

Stocks mostly rise as beaten-down tech stocks enjoy bounce

US markets closed in observance of the Independence Day holiday

AFP | London, United Kingdom

Asian and European stock markets mostly rose yesterday as tech firms rebounded and investors reacted to the receding prospects of higher US borrowing costs.

With US markets closed in observance of the Independence Day holiday, Thursday's sizeable miss on US jobs creation -- which reduced the likelihood of a Federal Reserve interest-rate hike -- continued to drive trading.

Earlier in the week, the yen fell a 40-year low versus the dollar on prospects of US rate hikes, but has since recovered some ground.

"A mixture of relief post the payrolls data, a reversal of the sell-off in the chip stocks and more volatility in the yen are the main narratives," noted Kathleen Brooks, research director at XTB trading group.

Investors welcomed key data Thursday showing the US economy added fewer than half the jobs forecast in June, while figures for the previous two months were revised down.

Key figures around 1530

London - FTSE 100:	▲ 0.3% at 10,679.03 points (close)
Paris - CAC 40:	▲ 0.4% at 8,508.07 (close)
Frankfurt - DAX:	▲ 0.8% at 25,779.31 (close)
Seoul - Kospi:	▲ 5.8% at 8,088.34 (close)
Tokyo - Nikkei 225:	▲ 1.5% at 69,744.07 (close)
Hang Seng Index:	▲ 1.3% at 23,350.03 (close)
Shanghai - Composite:	▲ 0.4% at 4,043.64 (close)
New York - Dow:	Closed for public holiday
Dollar/yen:	▲ at 161.29 yen from 161.12 yen
Euro/dollar:	▼ at \$1.1442 from \$1.1429
Pound/dollar:	▲ at \$1.3355 from \$1.3345
Euro/pound:	▲ at 85.68 pence from 85.65 pence
Brent North Sea Crude:	▲ at \$71.82 a barrel
West Texas Intermediate:	▼ 0.2% at \$68.53 a barrel

The readings suggested the labour market was not as strong as thought, and hands the Fed some breathing room to hold off from hiking rates, boosting global markets.

Speculation had grown since the central bank's June policy meeting that it would announce a rate increase this year because of elevated inflation and after new Fed boss Kevin Warsh said price stability was his key goal.

Against such a backdrop, the likelihood of a US rate hike before the end of the year remains, according to some analysts.

"The US labour market today is not strong enough to instigate rate hikes but importantly is no longer a handbrake or imped-

iment to hikes," said Rodrigo Catril, analyst at National Australia Bank.

Concerns about surging valuations for technology companies amid a race for all things AI continued to dominate sentiment.

Seoul's Kospi stocks index closed up 5.8% Friday -- having tanked by about 20% from its June 19 record high -- boosted by strong rallies in technology firms SK Hynix and Samsung.

Tokyo climbed more than 1%, along with Hong Kong, Manila, Bangkok and Jakarta.

European indices rose, benefiting from the changed US interest rate outlook as well as a search for value.

"Lower US rate expectations ease pressure on global borrowing costs and reduce the risk of capital flowing away from Europe toward higher-yielding US assets," said Trade Nation analyst David Morrison.

He added that European indices are less exposed to AI stocks and that "the stocks within them trade on much lower P/E multiples than those typically seen over in the US."

The price to earnings (P/E) ratio -- the price of a share in multiples of its earnings per share, provides a comparative measure of how much investors are willing to pay for each dollar or euro of earnings.

Oil prices steadied as markets tracked developments in the US-Iran talks and traffic flows through the Strait of Hormuz.



The world's first publicly traded company was the Dutch East India Company in 1602, giving birth to the modern stock market.

Mercedes demos set stage for wave of Gwwerman auto protests

AFP | Frankfurt, Germany

Thousands of workers demonstrated outside Mercedes-Benz factories in Germany Friday over the premium carmaker's cost-saving plans, kicking off an expected wave of protests in the country's crisis-wracked auto industry.

German carmakers are battling fierce Chinese competition, US tariffs and weak demand in key markets, with a string of job cuts and other austerity measures announced in recent times.

Organised with the powerful



IG Metall union, thousands of workers rallied outside several Mercedes plants, from the southern city of Sindelfingen -- outside Stuttgart -- to Bremen in the north.

"While shareholders benefit more than handsomely, employees are supposed to sacrifice their contractually guaranteed rights," said IG Metall boss Christiane Benner at a protest in Duesseldorf.

"This is how you squander the future and trust."

They were protesting against

proposed measures including unpaid increases in weekly working hours and cuts to benefits, according to IG Metall.

Over 33,000 workers took part in the protests nationwide, according to the union. Mercedes said almost 16,000 people had taken part in demonstrations at six of its sites. Mercedes, whose profits halved last year, told AFP that it had launched a savings drive because "structural costs in Germany -- particularly labour costs -- are not competitive by international standards".



The roots of Mercedes-Benz go back to 1886, when Carl Benz patented what is widely regarded as the world's first automobile.