

Oil falls as OPEC+ set to boost output

Reuters | LONDON

Oil prices fell yesterday on fears about the economic fallout from rising COVID-19 cases around the globe and on oversupply worries as OPEC and its allies are set to wind back output cuts in August.

Brent crude fell 18 cents, or 0.4 per cent, to \$43.34 a barrel by 1123 GMT, and US West Texas Intermediate (WTI) crude was down 19 cents, or 0.5 per cent, at \$40.06.

In the last month, Brent has been trading in a range between \$41 and almost \$45.

OPEC+ members have been cutting output since May by 9.7 million barrels per day (bpd). From August, cuts will officially taper to 7.7 million bpd until December.

Russian oil and gas condensate output increased to 9.8 m bpd on Aug. 1-2 from 9.37 m bpd in July, a source familiar with data said on Monday.

However, oil prices found some support after a survey showed that manufacturing activity across the euro zone expanded for the first time since early 2019 last month.

Chinese company files \$1.4 billion lawsuit against Apple

Reuters | Shanghai

Chinese artificial intelligence company Shanghai Zhizhen Intelligent Network Technology Co., Ltd., also known as Xiao-i, has filed a lawsuit against Apple Inc, alleging it has infringed on its patents.

The company is calling for 10 billion yuan (\$1.43 bn) in damages and demands that Apple cease "manufacturing, using, promising to sell, selling, and importing" products that infringe on the patent.

Xiao-i argued that Apple's voice-recognition technology Siri infringes on a patent that it applied for in 2004 and was granted in 2009.

Gold retreats from record peak as dollar firms



Gold bars are seen at the Austrian Gold and Silver Separating Plant 'Oegussa' in Vienna, Austria

Reuters

Gold hit a record high yesterday as fears over the economic fallout from rising coronavirus cases bolstered its safe-haven appeal, before inching lower as an uptick in the dollar fuelled some profit-taking.

Spot gold had eased 0.2 per cent to \$1,971.52 per ounce by 0952 GMT, after hitting a record high of \$1,984.66 in early Asian trade. U.S. gold futures were 0.1pc higher at \$1,988.

"The dollar's correction from a two-year low is taking some shine off gold," independent analyst Ross Norman said. "We seem to be in a period of consolidation and we've seen some profit-taking."

However a move to \$2,000 is on the cards in the near-term, Norman added, with a host of factors, including weaker economic data and a resurgence in the geopolitical spat between the United States and China, contriving to take gold higher.

Rising COVID-19 cases and simmering U.S.-China tensions have dented hopes for a swift economic recovery, driving inflows into safe-haven assets such as gold, which has climbed about 30% so far this year.

COVID-19 cases have topped 18 million globally, and White House coronavirus experts

said on Sunday the U.S. is in a new phase of the outbreak, with infections "extraordinarily widespread" in rural areas as well as cities.

Weighing on bullion, the dollar index .DXY was up 0.3% against its rivals, making assets priced in the U.S. unit more expensive for holders of others currencies.

Also on investors' radars was the new U.S. stimulus plan that lawmakers are struggling to hammer out. White House Chief of Staff Mark Meadows said on Sunday he was not optimistic on a near-term deal for coronavirus relief bill.

Spot gold may retreat into a range between \$1,943 and \$1,954 per ounce as it failed again to break resistance at \$1,982, said Reuters technical analyst Wang Tao.

Elsewhere, silver slipped 0.6pc to \$24.22 per ounce, platinum inched up 0.1% to \$907.51, while palladium rose 1.1pc to \$2,113.19.



Microsoft nears big bet on TikTok after LinkedIn deal

● About 11pc of US adults use TikTok at least once per week, versus 49pc for YouTube and 62pc for Facebook, showed a survey last month by tech consultancy Vorhaus Advisors.

Reuters | Oakland, California

Microsoft Corp's potential acquisition of short-video app TikTok carries myriad risks, thrusting it into the politically fraught social media business and Sino-US conflict amid increased scrutiny of big-tech companies.

But the deal could help Microsoft build on its \$27 billion purchase of LinkedIn to become a bigger player in internet advertising now dominated by Facebook Inc and Alphabet Inc's Google.

Microsoft on Sunday said it aims to complete a deal by Sept. 15 for TikTok's US, Canada, Australia and New Zealand operations. It is likely to have an edge in pricing negotiations as the US is effectively forcing TikTok's Chinese parent, ByteDance, to sell by threatening to ban.

TikTok has taken teenagers around the world by storm and emerged as a significant competitor to Facebook and Google's YouTube. But like rivals, TikTok faces substantial new costs for content moderation as the spread of misinforma-

tion and allegations of political bias roil social media.

Increased oversight costs accounted for much of the 10-percentage-point drop in gross profit margins for Facebook and Alphabet over the last 3-1/2 years, Refinitiv data showed.

"Does Microsoft really want to own an app that breeds conspiracy theories in tweens?" said Hank Green, YouTube star and chief executive of educational media company Complexly. He said TikTok removes content to maintain "a certain feel", and could face public challenges over such decisions more often under a bigger name such as Microsoft.

At \$1.55 trillion, Microsoft is the world's second-largest company by market capitalization after Apple Inc but has in recent years faced less criticism than peers over anti-trust, data protection and China projects.

Nadella's deals

Microsoft has done several big



Satya Nadella

Trump sets Sept 15 deadline for TikTok sale

AFP News

US President Donald Trump said Monday that popular Chinese-owned video app TikTok would be "out of business" in the United States if it did not sell its US operations by September 15, preferably to an American buyer.

"I set a date of around September 15, at which point it's going to be out of business in the United States," he told reporters.

"It'll close down on September 15th unless Microsoft or somebody else is able to buy it and work out a deal."

deals since Satya Nadella became chief executive in 2014, with acquisitions including world-building game Minecraft and job-search social network LinkedIn. They have fared better than those under predecessor Steve Ballmer, whose failed deals included Nokia Oyj's phone business.

The LinkedIn acquisition in 2016, for 50pc above its share price, was Nadella's biggest and riskiest. Microsoft shares fell 3pc when it was announced.

Microsoft has avoided antitrust and privacy scrutiny with a cautious approach to connecting LinkedIn to other products, such as Outlook, and analysts have largely viewed the deal as a success in terms of synergies.

Though the COVID-19 pandemic has slowed sales, LinkedIn ad revenue was among Microsoft's fastest-growing over 2017-2019 as the global economy roared.

Overall, LinkedIn has generated \$14.3 billion in revenue for Microsoft through ads and subscriptions, though analysts estimate it remains unprofitable.

Sanofi formally investigated over epilepsy drug Depakine

● Sanofi has repeatedly said it has no intention to compensate

Reuters | Paris

Healthcare company Sanofi Aventis France said it had been placed under formal investigation on charges of manslaughter over Depakine, which is an epilepsy drug that caused birth malfunctions and slow neurological development when taken during pregnancy.

Sanofi Aventis France denied the charges and is challenging the merits of the investigation, it said in a written statement to Reuters.

"All these elements do not in any way prejudice the responsibility of the company," Sanofi Aventis France said.



In 2018 aggrieved parents protested against Sanofi. (Courtesy of BBC)

The company said it had respected all its obligations regarding information provided on Depakine.

In France, being put under formal investigation means that

a dedicated investigative judge considers the case is serious enough to warrant an investigation.

Such legal cases can take years and do not necessarily result in significant amounts of compensation in France compared to other jurisdictions such as the United States.

Sanofi has repeatedly said it has no intention to compensate or take part in a state-backed compensation mechanism for Depakine.

Marine Martin, president of victims association APESAC, said on Twitter the new formal investigation was a "a great victory" for the families she represents.

France's social affairs inspection agency IGAS has estimated that between 2006 and 2014, 425 to 450 babies suffered congenital birth defects or were stillborn following exposure to Depakine.



Depakine, an epilepsy drug that caused birth malfunctions and slow neurological development when taken during pregnancy, lost its patent in 1998, is prescribed in more than 100 countries. News about the formal investigation was first reported by French newspaper Le Monde.

