

# Gold prices hit \$2,000

AFP News

Gold prices yesterday hit \$2,000 an ounce for the first time, the latest surge in a commodity seen as a refuge during economic uncertainty.

The precious metal hit the symbolically important benchmark near 1615 GMT before retreating somewhat then crossing the line again about 30 minutes later.

Gold prices have risen more than 30 per cent this year as the coronavirus outbreak has weakened the economy and clouded the global financial outlook.

Also weighing on investors were concerns over whether the United States will pass another spending measure to support the world's largest economy as it weathers a prolonged and deadly coronavirus outbreak.

Democrats and Republicans in Congress have yet to strike



Coronavirus and uncertainty over stimulus in the United States has sent gold over the \$2,000 per-ounce threshold

a deal despite days of negotiations.

"The gold price is viewed as buying opportunities," Commerzbank said in an analysis.

"This comes as no surprise in

view of the ongoing high numbers of new COVID-19 cases, the continuing cliffhanger in US Congress over an additional economic aid package, ever more widespread negative real

interest rates and highly-valued stock markets."

Wall Street stocks were cautiously advancing around 1645 GMT with the Dow up 0.4 per cent as traders digested reports claiming recent progress towards a deal in Washington.

"There's a big desire from both parties to get some kind of stimulus passed. I think the market is expecting that," said Bob Phillips, at Spectrum Management Group.

## 30pc

increases in price this year took gold to breach the \$2,000 an ounce mark

# Stock markets gain support from US stimulus optimism

● Europe's stock markets ended the session mostly higher

AFP News

Stock markets recovered from early weakness yesterday as optimism about a fresh US economic stimulus package crept back into trading rooms.

Democrats and Republicans are battling to hammer out a new package to help the US economy recover from the ravages of the pandemic, with analysts pointing to reports claiming good progress had been made.

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The dollar weakened on expectations of more money being injected into the economy.

Adding to optimism about a recovery, already fuelled by up-

## Key figures around 1540 GMT

London - FTSE 100:	▲ 0.1 pc at 6,036.00 points (close)
Frankfurt - DAX 30:	▼ 0.4 pc at 12,600.87 (close)
Paris - CAC 40:	▲ 0.3 pc at 4,889.52 (close)
EURO STOXX 50:	▲ 0.2 pc at 3,254.29
New York - Dow:	▲ 0.5 pc at 26,784.16
Tokyo - Nikkei 225:	▲ 1.7 pc at 22,573.66 (close)
Hong Kong - Hang Seng:	▲ 2.0 pc at 24,946.63 (close)
Shanghai - Composite:	▲ 0.1 pc at 3,371.69 (close)
Euro/dollar:	▲ at \$1.1768 from \$1.1764 at 2100 GMT
Dollar/yen:	▼ at 105.85 yen from 105.95 yen
Pound/dollar:	▼ at \$1.3063 from \$1.3076
Euro/pound:	▲ at 90.10 pence from 89.97
West Texas Intermediate:	▲ 1.3 pc at \$41.55 per barrel
Brent North Sea crude:	▲ 0.5 pc at \$44.39

beat data in recent days, were forecast-beating US factory order numbers published Tuesday.

Europe's stock markets ended the session mostly higher, the main exception being Frankfurt, having clawed back earlier losses.

On Wall Street, the Dow had added over 100 points by the end of the New York morning,

after reversing a weaker opening trend.

"US stocks are tacking onto yesterday's strong start to August," said analysts at Charles Schwab.

"Monday's plethora of upbeat global manufacturing reports is being followed by today's stronger-than-expected June US factory orders data, while Friday's July nonfarm payroll

report looms," they said.

Earlier Tuesday, Asian stocks had rallied on the back of Wall Street's strong overnight performance which saw the Nasdaq establish a new record high.

There was some relief in markets that "on the virus front, encouraging signs are emerging as many hotspots are seeing slow improvements", noted Edward Moya at OANDA.

"New cases and hospitalisations are declining in most second wave states, but this will need to improve more strongly for optimism to grow," he said.

Whatever desire there was to take new risks with stocks was being held in check by uncertainty, including about the shape of any economic recovery, analysts said.

"The composition of China's economic recovery offers a roadmap to the rest of the world that is not especially bullish for a consumer-driven rebound," said AxiCorp's Stephen Innes.

"It's easier to normalise the supply-side of the economy than the demand side in a post-pandemic-shock environment."

# ByteDance founder defends TikTok's US strategy in staff letter



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ZHANG YIMING, FOUNDER AND GLOBAL CEO OF BYTEDANCE

Reuters | Beijing

ByteDance founder Zhang Yiming told employees on Tuesday there were misunderstandings on Chinese social media about TikTok's situation in the United States and that the company could face more difficulties as anti-Chinese sentiment rose abroad.

His comments in a letter to ByteDance's Chinese employees came after the company and Zhang were heavily criticised on Chinese social media for entering into talks with Microsoft Corp to sell TikTok's US operations.

Chinese media first reported the contents of the internal letter. A source confirmed the content of the memo to Reuters.

ByteDance did not immediately respond to a request for comment.

"I actually understand (the criticism)," Zhang said in the letter. "People have high expectations of a company founded by a Chinese person which is going global but have little information about it. With lots of grievances towards the US government, they tend to lash out at us with harsh criticism."

Since Monday, some users of China's Twitter-like Weibo have said they would un-install ByteDance's Chinese short video app Douyin and news aggregator Jinri Toutiao because they believed ByteD-

ance had given in too quickly to Washington.

Others urged ByteDance to learn from US giant Google, which opted to pull its search engine out of the Chinese market in 2010 after China asked it to censor its search results, rather than selling off its Chinese operations.

Zhang said some people had misunderstood the US situation. He said Washington's goal was not to force a sale of TikTok's US operations through the Committee of Foreign Investment in the US (CFIUS) but to ban the app, and there was a legal process ByteDance had no choice but to follow.

Zhang told staff on Monday in another internal letter that the company had started talks with a tech company so it could continue to offer the TikTok app in the United States.

US President Donald Trump initially dismissed the idea of selling TikTok's US operations to Microsoft but changed his mind following pressure from some advisers and many in the Republican party, because banning TikTok could alienate many young voters, Reuters has reported.

Zhang also told employees that over the last two years, anti-Chinese sentiment had risen in many countries and the company must brace for more difficulties in the current atmosphere.

# Google's \$2.1 bn Fitbit deal hits roadblock

Reuters | Brussels

Alphabet unit Google's bid to take on Apple and Samsung in the wearable technology market by buying Fitbit hit a hurdle yesterday as EU antitrust regulators launched an investigation into the \$2.1 billion deal.

The EU antitrust enforcer said the deal would further entrench Google's dominance in online advertising and that Google's data pledge was insufficient to allay its worries.

"The data collected via wrist-worn wearable devices appears, at this stage of the Commission's review of the transaction, to be an important advantage in the online advertising markets," the Commission said.

It said the deal would give Google a data advantage in per-



Fitbit Blaze watch is seen in front of a displayed Google logo

sonalising ads via its search engine and displays on internet pages, making it difficult for rivals to compete, and ultimately result in higher prices for adver-

tisers and publishers.

The Commission will decide by Dec. 9 whether to clear or block the deal.



The move by the European Commission on Tuesday came despite Google's pledge last month not to use the fitness tracker's data for advertising purposes in a bid to address competition concerns.

# Kuwaiti and Egyptian shares up in first trading after Eid



Representative picture

Reuters

Stock markets in Kuwait and Egypt rose on Tuesday as trading resumed after Eid holidays, while the Dubai index, which reopened on Monday, extended gains from the previous session.

Other Gulf markets, including Saudi Arabia, were closed.

## Closing Bell

DUBAI	▲ 0.7% to 2,079 pts
ABU DHABI	▼ 0.1% to 4,318 pts
KUWAIT	▲ 1.1% to 5,472 pts
EGYPT	▲ 0.2% to 10,620 pts
SAUDI	Closed
QATAR	Closed
BAHRAIN	Closed
OMAN	Closed