

business

India's Reliance caps oil purchases, stops diluents supply to Venezuela

● **Venezuela is reeling from an unprecedented, week-long nationwide blackout and inflation**

● **Infrastructure has degraded over years because of a lack of investment**

● **The US and European Union recognises opposition leader Juan Guaidó as Venezuela's interim president.**

AFP | Mumbai, India

India's biggest private oil refiner Reliance Industries has capped crude imports from sanction-hit Venezuela, the company said yesterday.

The energy-to-telecoms conglomerate has also stopped exporting diluents to the crisis-hit South American country, it said.

The announcements come after US Secretary of State Mike Pompeo asked India to halt all

crude imports from Nicolas Maduro's regime, which the United States does not recognise.

"Our US subsidiary has completely stopped all business with Venezuela's state-owned oil company, PdVSA, and its global parent has not increased crude purchases," Reliance said in an emailed statement.

"Reliance has halted all supply of diluent to PdVSA and will not resume such sales until sanctions are lifted," added the company, which is owned by India's richest man Mukesh Ambani.

Venezuela -- a once-rich oil-producing nation -- is in the grip of an economic and political crisis and analysts said ending diluent exports would hamper Venezuela's output.

"Venezuelan oil is thick and needs these raw materials for processing crude," PetroWatch editor Madhu Nainan said.

Venezuela is reeling from an unprecedented, week-long nationwide blackout and inflation is projected to reach 10 million percent this year, according to the IMF.

The country's infrastructure has degraded over years because of a lack of investment, a signif-

icant brain drain, and the government's practice of putting the military in charge of key civilian facilities and companies. The situation has worsened with successive rounds of US sanctions against Maduro's government, including steps that have severely curbed its oil exports.

RELIANCE SAID IN AN EMAILED STATEMENT

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Venezuelan opposition leader and self-proclaimed acting president Juan Guaidó (R, top) speaks during a protest in Caracas



India became the top importer of crude from Venezuela in February after US President Donald Trump issued a de facto ban on imports.

On Tuesday, Pompeo asked India to stop buying crude from Venezuela, so as not to provide an "economic lifeline" to Maduro's regime.

The following day, New Delhi warned oil companies that they faced "undisclosed consequences" if they continued to buy Venezuelan oil.

"We will continue a constructive dialogue with the US government to ensure Reliance remains in compliance," the conglomerate, which operates the world's biggest refining complex, added in its statement.

China's industrial output slows, unemployment rises

● **In January and February car sales continued to fall and manufacturing activity sunk.**

Beijing, China

China's industrial output slowed during the first two months of the year as unemployment rose, official data showed Thursday, while some indicators showed a slowdown in the world's second largest economy stabilising.

The figures from the National Bureau of Statistics come as Beijing and Washington appear to be nearing a deal to resolve their painful trade spat, and Chinese leaders convene in the capital for an annual parliamentary session.

Output growth at China's factories and workshops for the first two months slowed to 5.3 percent on-year, from 5.7 percent in December, a multi-year low and short of forecasts.

"We must be aware that there are many uncertainties and instabilities from the external environment," said NBS spokesman Mao Shengyong. "The economy faces downward pressure," he told reporters.

China's normally steady unemployment rate rose to 5.3 per cent in February, from 4.9pc in December, with the NBS saying it had expected worse numbers.



A worker welds a liquefied natural gas (LNG) tank at a factory in Nantong in China's eastern Jiangsu province

Chinese Premier Li Keqiang last week laid out a lower growth target of 6.0-6.5pc this year, from 6.6pc growth in 2018, which was already the slowest pace for almost three decades.

Policymakers huddled in Beijing have talked up plans to support the economy, announcing tax cuts, fee reductions, and financing support. A plan to cut value-added tax for manufacturers will help the struggling sector.

In January and February car sales continued to fall and manufacturing activity sunk.

The latest data showed growth in retail sales for January-February remained flat from December, rising 8.2

percent on-year and slightly above forecasts from economists polled by Bloomberg News.

However, retail sales remain near a 15-year low, said Julian Evans-Pritchard of Capital Economics in a note, adding that "the near-term outlook still looks downbeat".

Beijing is counting on consumers and renewed investment to stabilise the economy.

Fixed-asset investment rose 6.1pc in the first two months, from 5.9pc in 2018. Last year investment in infrastructure crumbled as China hit the brakes on major projects such as subway lines and motorways to keep a lid on debt.

Motorcity Wins Volvo Excellence Award



The award ceremony

TDT | Manama

Motorcity, the exclusive distributor of Volvo Cars in Bahrain, said it has won the Volvo Excellence Award in Sales and Customer Service for 2018 in recognition of the outstanding accomplishments of the company.

With this achievement, Volvo Cars Bahrain has joined the Volvo Excellence Club which gives winning organ-

isations more benefits directly from the manufacturer.

Volvo Cars recently reported an operating profit of over \$1.5 billion for 2018, an increase of 0.9 per cent compared with 2017 despite tariffs and increasing price competition in several markets. The company also announced the best ever annual sales of 642,253 cars globally, an increase of 12.4 per cent compared to 2017.

Investors could pump \$1 billion into Uber cars

San Francisco, United States

A group of investors including SoftBank Group is in talks to invest \$1 billion or more into Uber's self-driving car unit, The Wall Street Journal reported on Wednesday.

Word of a potential infusion of cash valuing the Uber autonomous vehicle

division at from \$5 billion to \$10 billion comes as the ride-hailing startup steers toward a hotly-anticipated stock market debut.

Under terms being discussed, SoftBank's Vision Fund and other investors, including a car maker, would take a minority stake in Uber's self-driving vehicle unit, according to the Journal.

Led by Japan's Masayoshi Son, the Vision Fund is heavily invested by Saudi Arabia. The Journal described the "late-stage" talks as fluid, with the possibility a deal might not be reached.

Uber has been in a race with Google-owned Waymo and a host of other companies, including major automakers, to develop self-driving vehicles.