

Jet Airways rise on Tata speculations

Mumbai, India

Shares in India's second-largest airline Jet Airways jumped almost three percent yesterday following reports that salt-to-steel conglomerate Tata Group might invest in it.

Tata is reviewing Jet's accounts with a view to potentially buying a stake, Bloomberg News reported, while on Tuesday the Mint daily said Tata's finance chief and Jet's chairman were leading the talks.

A spokesperson for Jet termed the reports "speculative in nature" in a statement to India's stock exchange. The cash-strapped firm was not immediately available for further comment.

After reporting a loss of \$178 million for July-September, Jet on Monday announced it would cut flights on less profitable routes as part of a plan to reduce costs.

Tata already operates two airlines -- Vistara in partnership with Singapore Airlines and AirAsia India with AirAsia Group.

India's aviation sector is projected to become the world's third-largest by 2025.

Japan economy shrinks

Tokyo, Japan

Japan's economy shrank in the three months to September, official data showed yesterday, after a string of natural disasters hit consumer spending and exports, and China's slowing economy cast a shadow.

Gross domestic product for the July-September period contracted 0.3 percent from the previous quarter, reversing growth of 0.8 percent in the April-June period, according to the government's Cabinet Office.

A number of natural disasters dampened personal consumption, company investment and exports, said Katsunori Kitakura, lead strategist at Sumitomo Mitsui Trust Asset Management.

'Super-Earth' discovered

Paris, France

A "super-Earth" has been discovered orbiting the closest single star to our Sun, scientists said Wednesday in a breakthrough that could shine a light on Earth's nearest planetary neighbours.

Astronomers studied Barnard's Star, a red dwarf just six light years away -- practically in our back garden, galactically speaking -- and noticed the presence of a "frozen, dimly lit world" at least 3.2 times heavier than Earth. The planet, known for now as Barnard's Star b, is the second nearest to Earth outside the solar system and orbits its host star once every 233 days.

'Substantial progress' made on trade deal: Singapore

Singapore's leader said the summit which excludes the US have made huge progress in achieving a deal

● China, Japan and India are among 16 Asia-Pacific countries negotiating RCEP

● Trump pulled the US out of the rival Trans-Pacific Partnership (TPP)

AFP | Singapore, Singapore

Substantial progress has been made on hammering out a China-backed trade deal, Singapore's leader said yesterday, driving ahead the world's largest commercial pact which the United States is excluded from.

World leaders gathered in the tropical city state this week for a summit where a massive Beijing-backed agreement covering half the world's population has dominated discussions.

Diplomats have been trying to nail down details as Beijing entices its neighbours to join a



Leaders and representatives pose for a group photo during the 2nd Regional Comprehensive Economic Partnership summit (RCEP) on the sidelines of the 33rd Association of Southeast Asian Nations (ASEAN) summit in Singapore

commercial alliance seen as an antidote to President Donald Trump's "America First" protectionist trade policy.

The US has imposed tariffs on roughly half of what it imports from China, prompting Beijing to retaliate with its own levies.

China, Japan and India are among 16 Asia-Pacific countries negotiating the Regional Comprehensive Economic Partner-

ship (RCEP).

"Substantial progress has been made this year to advance the RCEP negotiations," Singaporean Prime Minister Lee Hsien Loong said Wednesday evening, adding talks were now "at the final stage".

"With the strong momentum generated this year, I am pleased to note that the RCEP negotiations are poised for conclusion

in 2019," he added.

But he cautioned any further delays could risk "losing credibility" for a deal -- which has already taken six years to negotiate.

This week's meetings are the biggest in a series of annual gatherings organised by regional bloc the Association of Southeast Nations (ASEAN), and are attended by 20 leaders.

RCEP was given extra impetus after US President Donald Trump pulled the US out of the rival Trans-Pacific Partnership (TPP) in early 2017.

That deal was spearheaded by his predecessor Barack Obama and aimed to bind fast-growing Asian powers into an American-backed order to counter China.

Trump is not at the Singapore summit, nor will he attend a subsequent gathering of world leaders in Papua New Guinea at the end of the week, having sent Vice President Mike Pence instead.

National Security Advisor John Bolton, however, told reporters in Singapore that the president's no-show should not be seen as a lack of commitment towards the region.

He blamed a "schedule crunch" after a particularly frenetic few weeks that included the midterm elections, attending the World War I armistice commemorations in France and preparing for the G20 in Argentina later this month.

Oil rises as OPEC discuss supply cut

● \$66.90 per barrel was the price of Brent Crude by 1453 GMT

Reuters | London

Oil rose yesterday, recouping some of the previous session's slide, on the growing prospect of OPEC and allied producers cutting output at a meeting next month to prop up the market.

Prices rallied towards \$67 after it was reported that OPEC and its partners are discussing a proposal to cut output by up to 1.4 million barrels per day (bpd), a larger figure than officials have mentioned previously.

International benchmark Brent crude LCOc1 was up \$1.43 a barrel at \$66.90 by 1453 GMT, having fallen as low as \$65.02. US crude CLc1 was up 82 cents at \$56.51.

"The dramatic selling across the oil markets in recent days

has come to a brief pause," said Jameel Ahmad, head of market research at futures brokerage FXTM. "It is very much possible that the oil markets have not yet found a floor."

The price of Brent has fallen by over 20 per cent since early October on concern about excess supply and slowing demand, one of the biggest declines since a price collapse in 2014.

US crude oil output from its seven major shale basins is expected to hit a record 7.94 million barrels per day (bpd) in December, the US Department of Energy's Energy Information Administration (EIA) said.

Most analysts expect US output to climb above 12 million bpd in the first half of 2019.

The rise in US production is contributing to higher stockpiles.

Official storage data is due on Wednesday from the Energy Information Administration, with analysts expecting a 3 million barrel rise in crude inventories.

UK budget carrier FlyBe says for sale

London, United Kingdom

Struggling British no-frills airline FlyBe yesterday put itself up for sale, adding it was in talks with potential buyers in the face of a challenging market.

"The board of Flybe Group Plc announces today that it is undertaking a comprehensive review of the various strategic options open to it to address the current challenges facing the airline industry and maximise value for shareholders," it said in a statement.

"These options include further capacity and cost saving measures, initiatives to strengthen the balance sheet and preserve cash resources, as well as a potential sale of the company through the commencement of a formal sale process."

The regional carrier added that it was "in discussions with a number of strategic operators about a potential sale of the



British low-cost passenger carrier flybe is pictured taking off at Toulouse-Blagnac airport

company".

The news comes weeks after Flybe had issued a profits warning on weak demand and alongside a £29-million hit from rising fuel costs and the

weak pound.

The group's share price has slumped by three quarters in value since September amid intense investor doubts over its future.

Lagarde sees case for central bank digital currency

AFP | Singapore, Singapore

With growing innovation in the financial sector and a move towards a cash-less society, there is a role for central banks to enter the world of digital currencies, IMF chief Christine Lagarde said yesterday.

Unlike private currencies like bitcoin and ethereum, money created by central banks would

be regulated and trustworthy, and could reach all sectors of society, Lagarde said in a speech prepared for the Singapore Fintech Festival.

"The key is to harness the benefits while managing the risks," Lagarde said. "Proper regulation of these entities will remain a pillar of trust."

However, while central banks in several countries are consid-



Managing Director of the International Monetary Fund Christine Lagarde speaks during the Bloomberg New Economy Forum in Singapore

ering e-money, questions remain about whether it makes sense for every country.

There "may be a role for the state to supply money to the digital economy," and she noted that Canada, China, Sweden and Uruguay were "seriously considering" issuing digital currency.

An official e-money would have the advantage of fulfilling policy goals including financial

inclusion, security and consumer protection.

"My message is that while the case for digital currency is not universal, we should investigate it further, seriously, carefully and creatively," she said.

The IMF issued a report on Wednesday examining the issues central banks would face if they decided to issue electronic money.