

UK retail sales shine on heatwave, W.Cup

London, United Kingdom

British retail sales rebounded in July, official data showed yesterday, as the food sector won a major boost from sunny weather and the World Cup. Sales rose 0.7 per cent last month, rebounding from a 0.5pc drop in June, the Office for National Statistics said in a statement.

The tills kept ringing despite a string of high-street retailer collapses, including budget chain Poundworld and electrical specialist Maplin -- and more recently department store House of Fraser.

Murphy said that retail sales were also lifted by online price reductions.

"Many stayed away from some high street stores in July, but online sales were very strong, supported by several promotions," noted Murphy.

"Food sales remained robust as people continued to enjoy the World Cup and the sunshine." Market expectations had been for a much more modest 0.2pc increase in July.

Gross domestic product grew 0.4pc in the three months to June, stimulated partly by warm weather and the England team's strong showing at the World Cup.

China, US to resume trade talks in August

AFP | Beijing, China

China will send a senior negotiator to the United States in late August to resume trade talks, its commerce ministry said yesterday, the first public meeting on the dispute in weeks as the trade conflict intensifies.

Beijing and Washington have slapped tariffs on tens of billions of dollars worth of each other's goods since they held their last high-level meeting in June, raising fears that the trade war could shake the global economy.

At the invitation of the United States, a delegation led by Vice Commerce Minister Wang Shouwen, the deputy representative on international trade negotiations, will meet with a team led by senior US treasury official David Malpass, the ministry said in a statement.

"The Chinese side reiterates that it opposes unilateralism and trade protectionism practices and does not accept any unilateral trade restriction measures," the ministry said.

"China welcomes dialogue and communication on the basis of reciprocity, equality and integrity."

US Commerce Minister Wilbur Ross held talks with Chinese Vice Premier Liu He in Beijing in June. Liu had met with US Treasury Secretary Steven Mnuchin in Washington a month earlier.

But the discussions failed to reduce tensions as the United States slapped tariffs on \$34 billion worth of Chinese goods in early July, triggering an immediate dollar-for-dollar retaliation from Beijing.

The two countries are expected to launch a new round of tit-for-tat tariffs on \$16 billion worth of goods from each country on August 23.

Washington has also lined up an additional \$200 billion in Chinese imports and US President Donald Trump said he could



Wilbur Ross, US Commerce Minister



China's Vice Minister of Commerce Wang Shouwen talks during a plenary session of the Business Forum of the 11th Ministerial Conference of the World Trade Organization



The two countries are expected to launch a new round of tit-for-tat tariffs on \$16 billion worth of goods from each country on August 23

raise tariffs on those products to 25 percent instead of the previously touted 10 percent.

China responded by threatening in early August to impose new tariffs on \$60 billion

worth of US goods.

"It is hard to tell how the talks will go but it's a positive signal that the two countries are looking for some compromise plan," said Makoto Sengoku, market analyst at Tokai Tokyo Research Institute.

"If they were determined to fight it out, they wouldn't meet," he told AFP.

Larry Hu, head of greater China economics at the Macquarie Group, said the two sides may discuss what Beijing needs to do, such as increasing US imports, further opening its markets and making efforts to protect US intellectual property rights.

Depending on actions taken by China, the US side may discuss what it can do to temporarily prevent an escalation of the trade war, Hu said.

"I think we are still at an ice breaking stage, the two sides are testing each other's bottom line," he said, noting that it will be a lower-level meeting than the previous talks.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2018 (REVIEWED)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018 (in thousands of U.S. Dollars)				CONSOLIDATED STATEMENT OF INCOME FOR THE SIX MONTHS ENDED 30 JUNE 2018 (in thousands of U.S. Dollars)					CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE 2018 (in thousands of U.S. Dollars)				
	30 June 2018 (reviewed)	31 December 2017 (audited)	30 June 2017 (reviewed)	For the three months ended 30 June 2018 (reviewed)	For the three months ended 30 June 2017 (reviewed)	For the financial year-to-date 30 June 2018 (reviewed)	For the financial year-to-date 30 June 2017 (reviewed)	For the year ended 31 December 2017 (audited)	For the three months ended 30 June 2018 (reviewed)	For the three months ended 30 June 2017 (reviewed)	For the financial year-to-date 30 June 2018 (reviewed)	For the financial year-to-date 30 June 2017 (reviewed)	For the year ended 31 December 2017 (audited)
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018 (in thousands of U.S. Dollars)													
ASSETS													
Cash and bank balances	102,378	82,873	152,242										
Investments	544,119	579,886	524,609										
Accrued income	140,323	103,096	173,681										
Insurance receivables	122,887	110,253	128,149										
Insurance deposits	26,719	25,869	29,619										
Deferred policy acquisition costs	31,621	32,960	28,731										
Reinsurers' share of technical provisions	103,851	112,261	71,277										
Other assets	39,120	28,850	20,594										
Property and equipment	18,718	20,085	21,173										
TOTAL ASSETS	1,130,336	1,086,129	1,131,475										
LIABILITIES AND EQUITY													
LIABILITIES													
Technical provisions	700,428	680,451	707,262										
Insurance payables	62,934	63,337	47,204										
Borrowings	37,000	34,000	34,000										
Other liabilities	73,959	55,969	50,132										
TOTAL LIABILITIES	874,321	833,747	838,718										
EQUITY													
Attributable to shareholders of parent company													
Share capital	220,000	220,000	220,000										
Treasury stock	(14,783)	(14,783)	(14,783)										
Reserves	36,122	41,178	42,501										
(Accumulated losses) retained earnings	(11,780)	10,949	8,911										
Non-controlling interests	228,541	226,924	255,170										
TOTAL EQUITY	255,989	252,382	292,757										
TOTAL LIABILITIES AND EQUITY	1,130,336	1,086,129	1,131,475										
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 JUNE 2018 (in thousands of U.S. Dollars)													
	Share capital	Treasury stock	Reserves	Retained earnings (accumulated losses)	Non-controlling interests	Total equity (reviewed)							
Balances at 31 December 2017	220,000	(14,783)	41,178	10,548	25,448	282,282							
Net (loss) profit for the period	-	-	-	(2,434)	2,387	(281,447)							
Changes on remeasurement of available for sale investments	-	-	(5,846)	-	(156)	(6,112)							
Transfers for recognition of gains on disposal of available for sale investments	-	-	(3)	-	(127)	(130)							
Total comprehensive (loss) income for the period	-	-	(5,849)	(2,434)	2,004	(6,281)							
Transfer of net depreciation on revalued property	-	-	(97)	97	-	-							
Balances at 30 June 2018	220,000	(14,783)	36,122	(11,780)	27,452	255,989							
Balances at 31 December 2017	220,000	(14,783)	37,684	13,743	36,180	292,814							
Net profit for the year	-	-	-	7,222	963	8,185							
Changes on remeasurement of available for sale investments	-	-	4,287	-	(324)	3,963							
Transfers for recognition of gains on disposal of available for sale investments	-	-	(2,658)	-	(248)	(2,906)							
Transfers for impairment loss recognised on available for sale investments	-	-	2,232	-	377	2,609							
Revaluation of property	-	-	(853)	-	-	(853)							
Total comprehensive income for the year	-	-	2,980	7,222	768	10,970							
Dividends paid	-	-	-	(9,902)	-	(9,902)							
Transfer of net depreciation on revalued property	-	-	(208)	208	-	-							
Transfer to non-distributable reserves	-	-	722	(722)	-	-							
Subsidiary's capital reduction	-	-	-	-	(11,500)	(11,500)							
Balances at 31 December 2017	220,000	(14,783)	41,178	10,548	25,448	282,282							
Balances at 30 June 2018	220,000	(14,783)	36,122	(11,780)	27,452	255,989							
Net profit for the period	-	-	-	4,978	812	5,790							
Changes on remeasurement of available for sale investments	-	-	5,587	-	69	5,656							
Transfers for recognition of gains on disposal of available for sale investments	-	-	(1,208)	-	(23)	(1,231)							
Transfers for impairment loss recognised on available for sale investments	-	-	621	-	(48)	573							
Total comprehensive income for the period	-	-	4,906	4,978	868	6,845							
Dividends paid	-	-	-	(9,902)	-	(9,902)							
Transfer of net depreciation on revalued property	-	-	(92)	92	-	-							
Balances at 30 June 2017	220,000	(14,783)	42,501	8,011	37,058	292,757							
These condensed consolidated interim financial statements were approved by the Board of Directors on 14 August 2018 and signed on its behalf by: Saeed Mohammed AlBahhar Chairman Ahmed Rashed Alshakri Director Samud Varghese Acting Chief Executive Officer													
The above condensed consolidated interim financial statements were prepared in accordance with International Financial Reporting Standards as applied in Saudi Arabia. The reviewed condensed consolidated interim financial statements are available on Arig's website www.arig.net													
Arab Insurance Group (B.S.C.) -- a insurance firm regulated by the Central Bank of Bahrain													