Germany rolls out hydrogen train

Bremervorde, Germany

Germany yesterday rolled out the world's first hydrogen-powered train, signalling the start of a push to challenge the might of polluting diesel trains with costlier but more eco-friendly technology.

Two bright blue Coradia iLint trains, built by French TGV-maker Alstom, began running a 100-kilometre (62-mile) route between the towns and cities of Cuxhaven, Bremerhaven, Bremervoerde and Buxtehude in northern Germany -- a stretch normally plied by diesel trains.

"The world's first hydrogen train is entering into commercial service and is ready for serial production," Alstom CEO Henri Poupart-Lafarge said at an unveiling ceremony in Bremervoerde, the station where the trains will be refuelled with hydrogen.

Alstom has said it plans to deliver another 14 of the zero-emissions trains to Lower Saxony state by 2021, with other German states also expressing an interest.

Hydrogen trains are equipped with fuel cells that produce electricity through a combination of hydrogen and oxygen, a process that leaves steam and water as the only emissions.

Excess energy is stored in ion lithium batteries on board the train.

Coke eying cannabis-infused drink market

Reuters

Coca Cola Co said yesterday it was closely watching the growing marijuana-infused drinks market, responding to a media report that the world's largest beverage maker was in talks with Canada's Aurora Cannabis Inc

The discussions over a possible product tie-up, reported by Canadian financial channel BNN Bloomberg, could open a new front in Coke's battle to overcome sluggish demand for its sugar-heavy sodas by diversifying into coffee and health-focused drinks.

The report said there was no guarantee that talks between the companies would be successful but Aurora shares responded by soaring 22 percent. Coke stock gained slightly on a New York market weakened by concerns over trade tariffs.

The marijuana industry has been attracting interest from a handful of big corporate names as Canada and a wave of US states move to legalize recreational use of the drug.

However, US corporations are still cautious about taking steps into a business that remains illegal under US federal law.

Both Coke and Aurora, in separate statements, said they were interested in cannabidiol infused beverages but could not comment on any market speculation.

Saudi rebounds from low

- Dubai real estate shares drop despite long-term visa news
- Inflation data shows real estate deflation deepening
- Egypt posts lowest close this year
- But Qalaa and EFG stabilise after tumbling manipulation case
- Saudi ends five-day slide as some blue chips leap

Traders monitor stock information at Dubai Financial Market, in Dubai, United Arab Emirates (Courtesy of Zawya)

Closing Bell

SAUDI	▲ 1.9%	» 7,610
DUBAI	▼ 0.8%	» 2,752
ABU DHABI	▼ 1.7%	» 4,883
QATAR	▼ 1.1%	» 9,833
KUWAIT	▼ 0.03%	» 5,346
BAHRAIN	▼ 0.2%	» 1,339
OMAN	▼ 1.0%	»4,516
EGYPT	▼ 0.7%	» 14,651

Reuters | Dubai

Middle East stock markets mostly fell yesterday because of US-China trade tensions, with Dubai sliding despite a new visa policy designed to support slumping real estate prices. Saudi Arabia's market, however, rebounded after a five-day slide.

The United Arab Emirates announced visa rules allowing retired expatriates to stay in the country with renewable five-year visas, which could encourage them to buy homes or make other investments. The government also introduced lower electricity tariffs for the industrial sector.

But stock markets remained weak and the Dubai index lost 0.8 per cent to a 32-month low. Blue chip Emaar Properties shed 1.7pc and DAMAC Properties sank 2.9pc.

In Abu Dhabi, the index slid 1.7pc as top real estate firm Aldar Properties dropped 2.7pc. The biggest bank, First Abu Dhabi, lost 2.6pc.

"It's obviously a positive development from a long-term perspective for the UAE real estate sector," Ayub Ansari, senior analyst at SICO in Bahrain, said of the visa policy.

"Near-term, the sentiment in the stock market remains weak and (we) don't expect much reaction on UAE real estate stocks from this announcement."

A local fund manager said the step was too incremental by itself to move the needle in the stock market.

Dubai inflation data published on Monday showed housing market deflation deepening; housing and utility costs fell 3.6pc from a year earlier in August, after a 3.2pc drop in July and a 2.6pc decline in June.

In Egypt, the stock index shed 0.7pc to its lowest close this year, after sliding 3.6pc on Sunday in response to news that an Egyptian criminal court had ordered the arrest of ousted President Hosni Mubarak's two sons on charges of stock market manipulation.

Two stocks that were hit particularly hard by the legal case stabilised on Monday, however. Qalaa Holdings, which had plunged 6.0pc on Sunday, last traded up 0.6pc; its investor relations head Amr El-Kadi was detained in connection with the case, the company said.

Investment bank EFG-Hermes, which had tumbled 8.6pc, rebounded 3.3pc. The company said its non-executive vice chairman Yasser El Mallawany had been detained in connection with the case.

The big exception to the downtrend in regional markets was Saudi Arabia, where the index gained 1.9pc, rebounding from a six-month low hit on Sunday.

Saudi Kayan Petrochemical was the best performer, soaring 8.1pc in heavy trade. Bank stocks also did well after reassuring remarks by an official at the central bank during a news conference on Sunday.

Ayman bin Mohammed al-Sayari, the bank's deputy governor for investment, said rising market interest rates were not worrying as they were based on a gradual rise of global rates from a low base, and because Saudi banking system liquidity remained ample.

He also said recent capital outflows from Saudi Arabia had been in large part the result of rising investment by Saudi quasi-sovereign institutions, and that foreign reserves remained in an uptrend.

Oil prices rise on supply concerns

Reuters | London

Oil prices rose yesterday as investors focused on the impact of US sanctions on Iran despite assurances by Washington that Saudi Arabia, Russia and the United States could together raise output fast enough to offset falling supplies.

US Energy Secretary Rick Perry said in an interview with Reuters on Friday that he did not expect any price spikes and that the world's top three oil producers could between them raise global output in the next 18 months.

Brent crude oil was up 70 cents a barrel at $78.79 by 1345 GMT. US light crude was up 55 cents at $69.54.

"Oil is pushing higher on widespread expectations of Iranian supply shortages," said Stephen Brennock, analyst at London brokerage PVM Oil.

Iran's oil exports have been falling in recent months as more buyers, including its second-largest buyer India, cut imports ahead of US sanctions that take effect in November. Washington aims to cut Iran's oil exports down to zero to force Tehran to re-negotiate a nuclear deal.

Also weighing on oil prices, US drillers added two oil rigs in the week to Dec. 1, bringing the total count up to 749.

ECB unveils new euro notes

Frankfurt am Main, Germany

The European Central Bank on Monday unveiled new versions of the 100- and 200-euro banknotes, saying new security features would make them harder to counterfeit.

Like other second-generation notes in the "Europa" series introduced since 2013, the new paper money includes different holograms in a silver strip and an "emerald number" showing the denomination -- this time in an enhanced form with small euro symbols inside the numerals.

Designers also reduced the notes' height to match the 50-euro version.

That leaves the length of the paper as the only size difference between denominations, with longer notes bearing a higher value.

The green 100-euro banknotes represent some 23 percent of the value of euro paper money in circulation, ECB board member Yves Mersch told reporters in Frankfurt, making them "not just a niche product and also not just a rich (person's) product."

A new 100- and 200 euro banknote are presented on a light table

Stocks wobble as trade war worries deepen

London, United Kingdom

Stock markets were uneasy and the dollar fell Monday following reports that US President Donald Trump is planning to hit China with another round of tariffs, dealing a blow to hopes for conciliatory talks between the two economic giants.

Traders had late last week welcomed US Treasury Secretary Steven Mnuchin's offer to meet officials from Beijing to avert an all-out trade war.

However, The Washington Post and Wall Street Journal said the president had decided to impose 10-percent levies on $200 billion of Chinese imports and could make an announcement in the coming days.

That would come on top of the $50 billion already announced over the summer and would account for about half of China's exports to the United States.

Key figures around 1540 GMT

New York - Dow Jones:	■	26,143.92 points
London - FTSE 100:	■	7,302.10 (close)
Frankfurt - DAX 30:	▼	0.2pc at 12,096.41 (close)
Paris - CAC 40:	▼	0.1pc at 5,348.87 (close)
EURO STOXX 50:	■	3,008.73
Hong Kong - Hang Seng:	▼	1.3pc at 26,932.85 (close)
Shanghai - Composite:	▼	1.1pc at 2,651.79 (close)
Tokyo - Nikkei 225: Closed for a public holiday		
Euro/dollar:	▲	$1.1689 from $1.1627 at 2030 GMT on Friday
Pound/dollar:	▲	$1.314 from $1.3069
Dollar/yen:	▼	at 111.98 yen from 112.00 yen

Beijing has threatened to retaliate against any measures. Reports suggest China would call off any meetings if the new duties take effect.

Fanning the flames of the trade conflict, Trump on Monday hailed his aggressive use of tariffs as a success for American business.

Hong Kong's stock market led losses Monday, while the main European indices were lukewarm. While investors are in a selling mood, some positives could be taken from reports that Trump was considering 10 percent tariffs instead of the feared 25 percent, said JP Morgan Asset Management global market strategist Kerry Craig.

Elsewhere on foreign exchange Monday, emerging market currencies continue to struggle as investors fret over a possible spillover from financial crises in Argentina, Turkey, and South Africa. "Equities in emerging Asia have been hit harder than those in the rest of the world today as last week's small recovery has come to a swift end. We would not be surprised if they continued to underperform," Capital Economics analysts said in a note.

Meanwhile, the pound held up as uncertainty over Brexit loomed large, with British Prime Minister Theresa May warning that her plan is the only alternative to crashing out of the European Union without an agreement.

May's warning came as the International Monetary Fund warned that Britain's economy would suffer "substantial costs" should it depart the EU in March with no divorce deal.