

# business

## Malaysian opp. leader charged in \$26m graft case

Kuala Lumpur, Malaysia

Malaysia's opposition leader was yesterday hit with 45 charges in a \$26 million corruption case, a new blow to his beleaguered party which lost power in landmark elections this year.

Ahmad Zahid Hamidi, a former deputy premier and ally of scandal-mired ex-leader Najib Razak, is accused of crimes that include accepting bribes to award government contracts and money-laundering.

The 65-year-old pleaded not guilty to all charges, and will stand trial.

"I am ready to face all these charges thrown at me," Ahmad Zahid told reporters. "It is a test from Allah."

A crowd of supporters turned up outside the court in Kuala Lumpur where he was being charged, waving banners that read "we reject the cruel treatment of our leader". Najib also attended the hearing to offer support.

The veteran politician is head of the United Malays National Organisation (UMNO), the lynchpin in a coalition of parties that ruled Malaysia from independence in 1957 until their shock defeat in May polls.

UMNO has been on the ropes since, with many coalition partners abandoning a party that had become synonymous with widespread graft, divisive racial politics in the multi-ethnic country and a rotten ruling elite.

Najib has also been arrested and charged over allegations he oversaw the plundering of state fund IMDB, a scandal that played a major part in the election defeat.

Ahmad Zahid is facing 27 money-laundering charges, eight counts of accepting bribes, and 10 for criminal breach of trust.

## StanChart set to miss 2018 cost targets

Reuters | London

Standard Chartered is a facing 'significant challenge' to meet its 2018 cost reduction targets and predicts a recent slowdown in income will continue for the rest of the year, website financialcareers reported yesterday, citing an internal email.

"We have made virtually no progress since May when we adjusted our budgets in reducing our cost base," StanChart CFO Andy Halford wrote in the email sent to senior managers at the bank earlier this month.

A spokeswoman for StanChart confirmed the veracity of the email.

# Chinese third quarter growth hits 9-year low

● Economy expanded 6.5 per cent on-year in July-September

● Exports still drive a significant chunk of China's economy

● Trade row with US has sapped investors confidence

AFP | Beijing, China

China's economy grew at its slowest pace for nine years in the third quarter, as a campaign to tackle mounting debt, and trade frictions with the US take their toll.

The world's second largest economy expanded 6.5 per cent on-year in July-September, National Bureau of Statistics figures showed, marking the worst performance since the start of 2009 at the height of the global financial crisis.

It is also well down from the 6.8pc and 6.7pc in the previous two quarters but in line with Beijing's target for the year.

China is in the midst of a increasingly bitter trade row with



A worker checking a newly-made truck at a factory in Weihai in China's eastern Shandong province

the United States with both sides exchanging tariffs on billions of dollars worth of goods.

While exports to the US have held up so far, the row has sapped confidence.

"China-US trade frictions have affected the market, but frankly

speaking, the psychological impact is greater than the actual impact and China and the US are currently in contact," said Liu He, China's top economic policy maker in interview yesterday with official news agency Xinhua intended to reassure

markets.

Liu trumpeted a raft of new policies intended to boost the stock market and reaffirmed the importance of China's private sector, which has suffered from a push to strengthen state-owned enterprises.

## Further cooling

The Shanghai composite stock index has fallen by about 30 percent from its January high, while the yuan has slipped about nine percent against the dollar.

In response, some of China's top financial and economic officials, including the vice-premier and head of the central bank made a concerted effort Friday to reassure investors and stem the market sell-off.

Adding to concerns were data showing fixed-asset investment growth remains bogged down. It inched up to 5.4 percent in January-September from a record-low 5.3 percent in the first eight months of the year as Beijing has reined in spending on bridges, railways, and highways.

Exports still drive a significant chunk of China's economy and Washington's targeting of cars, machinery, electronics, consumer appliances and other products have led some firms to shift production out of the country, or begin considering it.

"If the market becomes a bit panicked... that can dampen investment, investment and trade are closely linked so this can be a vicious cycle," said Lian Weicheng, an economist at the International Monetary Fund during a briefing in Beijing.

## Russia, Uzbekistan hail \$11 billion nuclear power plant

Tashkent, Uzbekistan

Russia and Uzbekistan yesterday hailed the construction of an \$11 billion nuclear power plant that should help solve an energy deficit in the Central Asian country.

Russian President Vladimir Putin was paying a first state visit to Uzbek counterpart

Shavkat Mirziyoyev since Mirziyoyev replaced the late Islam Karimov, who ruled for nearly three decades before his death in 2016. During the visit the two countries signed deals worth \$27.1 billion, according to the Uzbek economy ministry.

The nuclear power plant, set to be completed by 2028, has strategic significance for

Moscow which is looking to reassert its economic and political clout in Central Asia amid fierce competition from China and other players.

According to the Russian Rosatom nuclear energy agency overseeing the project the plant's output should account for a fifth of Uzbekistan's over-all power generation.

## Daimler cuts 2018 view

Frankfurt am Main, Germany

German luxury automaker Daimler yesterday again cut its profit outlook for 2018, warning that costs related to polluting diesel engines would drag down earnings.

The Mercedes-Benz maker, which this year had to recall more than 770,000 diesel cars across Europe, said it now expected earnings before interest and tax (EBIT) to come in "significantly below" last year's figure. The group booked an

EBIT of \$16.4 billion in 2017, and had originally expected to see results "slightly above" that this year.

In an ad-hoc statement, Daimler said the latest reassessment was partly due to an "increase in expected expenses" related to "Mercedes-Benz diesel vehicles".

The diesel saga erupted in 2015 after Volkswagen admitted to installing "defeat devices" in 11 million diesels worldwide designed to dupe emissions tests.

## FB hires British ex-deputy PM as global affairs head

AFP | London, United Kingdom

British former deputy prime minister Nick Clegg, a leading anti-Brexit advocate, said yesterday he would be starting a job at Facebook, as the US giant faces up to regulatory pressures.

"I am delighted to be joining Facebook. After almost 20 years in European and British politics, this is an exciting new adventure for me," Clegg wrote on his Facebook page.

Clegg said Facebook was "at the heart of some of the most complex and difficult questions we face" such as "privacy of the



British Deputy Prime Minister Nick Clegg addresses delegates at the annual Confederation of British Industry

individual", "integrity of our democratic process", and "the balance between free speech and prohibited content".

The Press Association news agency and the Financial Times said Clegg would be Facebook's new head of global affairs and communications and would move to California in January.

The 51-year-old is also a former European Commission trade negotiator and member of the European Parliament.

Clegg used to be head of the Liberal Democrats, a small opposition party, but was voted out of parliament in a 2017 election

when the party suffered major setbacks.

"As someone who has spent a lifetime arguing for Britain's wholehearted commitment to Europe, it is of course a wrench to be leaving the public debate at a crucial time in the Brexit process," Clegg wrote on Friday.

The social network has faced several public relations crises in recent months and has instituted changes, particularly on privacy and the transparency of political campaign ads.

In September, it admitted that up to 50 million accounts had been breached by hackers.