

business

North Korea economy shrinks 3.5pc

AFP| Seoul

North Korea saw its economy contract 3.5 percent last year - its worst showing in two decades - as it was hit by sanctions over its weapons programmes, the South's central bank said Friday.

It was a sharp reversal from 3.9 percent growth in 2016, according to the Bank of Korea (BOK).

The UN Security Council last year banned the North's main exports -- coal and other mineral resources, fisheries and textile products -- to cut off its access to hard currency in response to Pyongyang's pursuit of nuclear weapons and ballistic missiles.

India, US to hold talks in September

AFP| New Delhi

India will host US Secretary of State Mike Pompeo and defence chief James Mattis in September for high-level talks that were postponed twice earlier, the foreign ministry said yesterday. The meeting comes amid differences between the two countries over trade issues and the US threat of sanctions on Delhi if it continues to deal with Iran -- its key energy supplier -- or Russia.

GE profit falls as power business struggles

AFP| New York

General Electric reported a drop in second-quarter earnings Friday amid continued headwinds in its power generation division, although other industrial businesses performed well.

The US industrial giant said profits came in at \$615 million, down 29.7 percent from the year-ago levels.

Revenues rose 3.5 percent to \$30.1 billion.

Kuwait to probe chopper deal

The \$1.19-billion purchase is the latest Airbus military deal that comes under investigation

Arabian Aerospace| Kuwait

Kuwait Prime Minister, Sheikh Jaber Al-Mubarak Al-Hamad Al-Sabah, has ordered an investigation into the 1 billion euros (\$1.19 billion) order signed by the air force for 30 H225M Caracal multirole military utility helicopters, 24 of them for the Kuwaiti Air Force and six for the Kuwait National Guard.

"It has been decided to transfer the case of the Caracal helicopter deal to the National Anti-Corruption Commission," said Kuwait Minister of Cabinet Affairs, Anas al-Saleh. The deal will also be probed by the State Audit Bureau (SAB).

The investigation was launched after the French magazine, *Marianne*, alleged that a Lebanese middleman, Farid Abdelnour, had demanded a commission payment of 60 million (\$71 million) from Airbus in connection with the deal.

The contract for the helicopters, plus an associated support and services package, was originally signed on August 9 2016, during a visit to Kuwait by the then French Defence Minister, Jean-Yves Le Drian.

As Foreign Minister, Le Drian is now in the middle of delicate negotiations aimed at settling



The deal will also be probed by Kuwait's State Audit Bureau

the problem.

The Kuwaiti order for the Caracal, which is a military counterpart to the EC225/H225, provided a useful boost for the type after an emergency airworthiness directive grounded the commercial H225 fleet following a fatal accident in Norway.

Kuwait originally issued a request for proposals (RFP) for a

new medium helicopter in 2013, selecting the H225M Caracal in June 2015, while rejecting an AgustaWestland proposal based on the AW149 and a Sikorsky S-70i bid.

Kuwait had previously purchased Gazelles, Pumas and Super Pumas from Airbus Helicopters and its predecessor companies (Eurocopter and

Aerospatiale) and the new aircraft were intended to replace a fleet of 11 older SA330 Puma and AS332 Super Puma variants.

Delivery of the first helicopters was originally expected in early 2019.

The Kuwaiti probe is the latest in a series of investigations into commercial and military sales by Airbus. In 2016, the British

Serious Fraud Office started investigating "irregularities" involving the company's use of middlemen to secure contracts overseas; the French Parquet National Financier opened a similar investigation in 2017; and there is also an Austrian investigation into allegations of fraud and misrepresentation connected to the Alpine nation's Eurofighter purchase.



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Property giant Emaar plans \$1.4bn

Agencies| Dubai

Dubai-based developer Emaar is to hoping to raise \$1.4 billion from a sale of assets to counteract the effects of a property slump in the emirate, according to reports in the *Financial Times*.

The company, which is 30 per cent owned by the government of Dubai, is looking to sell its portfolio of hotels, clinics and schools.

Mohamed Alabbar, the chairman, has briefed journalists that he is close to agreeing a sale for much of the property.

Dubai's property market has registered a gentle decline in rental income and sale price throughout the year. The latest figures, from agent Cavendish



Emaar is 30pc owned by Govt

Maxwell, in its second quarter Dubai Market Report, registered quarter-on-quarter declines of 1.1 per cent in residential sales prices and an average 2.5 per cent drop in rental values. The fall in residential rents was 5 per cent year-on-year.

According to the report, annual rental declines in Dubai in

the second quarter were most pronounced in International City, The Greens, Discovery Gardens and Al Furjan, which registered 12-month changes of more than 6 per cent.

In response to the sluggish property market, Emaar's share price has halved since its September 2014 peak, is down about 20 per cent over the course of 2018.

Emaar has responded by seeking ways to cut costs. In March, it entered into an \$8.2 billion strategic partnership with Abu Dhabi's biggest property developer Aldar, and the pair intend to create efficiencies through jointly building projects such as Saadiyat Grove in Abu Dhabi, and Emaar Beachfront in Dubai.

Trump 'not happy' with US Fed interest rates

AFP| Washington

President Donald Trump criticised the US central bank in comments aired Thursday, saying its course of interest rate increases counteracted his efforts at growing the economy.

The rare rebuke was likely to stir a backlash, as it broke with the long-established practice of the executive branch not commenting on the Federal Reserve's decisions out of respect for its independence.

"I'm not thrilled," Trump told CNBC in an interview. "Because we go up and every time you go up they want to raise rates again." "I'm not happy about it.

But at the same time I'm letting them do what they feel is best."

A Fed spokesman declined to comment on Trump's remarks but referred a reporter to comments Powell made this month in public radio interview in which he said he was "not concerned" by any threat to central bank's independence.

Hoping to keep a lid on inflation as the world's largest economy gathers pace, the Fed has raised its benchmark lending rate seven times since 2015 and expects two more rate hikes this year. Doing so slows growth, as it raises the cost of borrowing, but can also prevent runaway inflation from damaging the economy.

Hackers steal health records of 1.5 million Singaporeans

AFP| Singapore

Hackers have stolen the health records of 1.5 million Singaporeans including Prime Minister Lee Hsien Loong, authorities said yesterday, with the leader specifically targeted in the city-state's biggest ever data breach.

Singapore's health and information ministries said a government database was broken into in a "deliberate, targeted and well-planned" strike, describing the attack as "unprecedented".



Hackers used a computer infected with malware to gain access to database

Attackers specifically and repeatedly targeted the personal particulars and outpatient information of Prime Minister Lee Hsien Loong

GAN KIM YONG
HEALTH MINISTER

"Attackers specifically and repeatedly targeted the personal particulars and outpatient information of Prime Minister Lee Hsien Loong," health minister Gan Kim Yong told a press conference. Forensic analysis by Singapore's Cyber Security Agency "indicates this is a deliberate, targeted, and well-planned cyberattack and not the work of casual hackers or criminal gangs," he added. Officials declined to comment on the identity of the hackers, citing "operational security", but said

the prime minister's data has not shown up anywhere on the internet. "I don't know what the attackers were hoping to find. Perhaps they were hunting for some dark state secret, or at least something to embarrass me," Lee wrote on Facebook.

"My medication data is not something I would ordinarily tell people about, but there is nothing alarming in it."

Hackers used a computer infected with malware to gain access to the database between June 27 and July 4.