

Lebanon to start virtual talks with IMF next week

● IMF to start virtual talks tomorrow

● Kuwait foreign minister in Lebanon for talks

● Gulf states deliver confidence-building proposals

Reuters

Lebanese officials will start talks with the International Monetary Fund tomorrow, an official government source told Reuters.

An IMF spokesperson also told Reuters yesterday that a team will start virtual talks with Lebanese authorities next week.

The Lebanese government has said it hopes to reach an initial agreement with the fund for financial support between January and February. Lebanon is in the grip of an unprecedented financial crisis and an IMF deal is widely seen as the only way for it to secure aid.

The fund said in December it was assessing a \$69 billion figure announced by Lebanese officials for losses in the coun-



Kuwait's Foreign Minister Sheikh Ahmad Nasser Al-Mohammad Al-Sabah meets with Lebanon's Prime Minister Najib Mikati in Beirut, Lebanon

try's financial sector.

Disagreements in Lebanon over the size of the losses and how they should be distributed torpedoed IMF talks in 2020. The central bank, banks and political elite rejected figures set out in a government plan that was endorsed by the IMF at the time.

Lebanon's Prime Minister Najib Mikati said in September that the financial recovery plan to be drawn up by his cabinet will include a fair distribution of losses suffered by the financial system, but the cabinet hasn't convened since October.

It will convene again on Mon-

day to discuss the 2022 budget, but no clear details have been released about the recovery plan. The Lebanese financial system collapsed in 2019 because of decades of corruption and waste in the state and the unsustainable way it was financed. The trigger was slowing inflows of hard currency into the banking system, which lent heavily to the government.

Several reforms the IMF would likely seek, including cutting subsidies and unifying the numerous exchange rates in Lebanon's chaotic cash economy, are already becoming realities as hard currency dries up,

political sources say.

Kuwaiti minister visits Beirut

Meanwhile, in an effort to thaw the diplomatic rift, Kuwait's foreign minister, in the first trip by a senior Gulf Arab official since last year, delivered confidence-building proposals to Lebanon in a message coordinated with Gulf states.

Speaking after meeting Lebanese Prime Minister Najib Mikati, Sheikh Ahmad Nasser Al-Mohammad Al-Sabah said ties with Beirut had not been severed and relations were now in a phase of confidence-building measures.

He said he had delivered proposed confidence-building steps to Mikati and the Lebanese foreign minister and "the brothers in Lebanon should study them and know how to deal with these matters".

"All the GCC states are sympathetic and in solidarity with the Lebanese people ... the Kuwaiti move is a Gulf move," Sheikh Ahmad said.

Sheikh Ahmad said the visit was "to support Lebanon and bring Lebanon out of all that it is going through, to help it overcome these difficulties, and to restore, God willing, the measures to build confidence with Lebanon".

26,000 citizens found jobs in 6,642 private institutions: minister

Labour minister meets IMF delegation



Minister Jameel Humaidan during a meeting with IMF delegates

TDT | Manama

The second edition of the National Employment Programme landed jobs for more than 26,000 nationals in about 6,642 private institutions, said Labour and Social Development Minister.

Minister Jameel Humaidan also pointed out that the labour ministry had trained over 12,000 nationals in 2021 in co-operation with the relevant authorities.

The minister announced the figures during a virtual meeting with the advisory mission of the International Monetary Fund, led by Dr Mahmoud Mohieldin.

Discussions also focused on Bahrain's experience in confronting the repercussions of the novel Coronavirus pandemic, the Economic Recovery Plan and programmes that support the stability of the labour market.

Humaidan highlighted Bahrain's swift response to the

pandemic by launching an economic stimulus package worth more than BHD 4.5 billion in March 2019, as directed by His Majesty King Hamad bin Isa Al Khalifa.

"Such measures had maintained the stability of the national workforce in the labour market and distanced the private sector from layoffs," the minister said.

On the Economic Recovery Plan, the minister said the ambitious five-pillar plan is a roadmap for a brighter economic and fiscal future for the kingdom.

The plan launched by the government, led by His Royal Highness Prince Salman bin Hamad Al Khalifa, the Crown Prince and Prime Minister, targets to employ 20,000 Bahrainis and train 10,000 others annually.

He affirmed that the positive results prove the ability of the local labour market to generate more job opportunities for the national workforce.

India's Reliance reports hefty profit on energy, retail boost

Reuters | Bengaluru

Reliance Industries Ltd (RELI.NS), India's most valuable company, on Friday posted a better-than-expected 41.6% jump in profit in the third quarter, boosted by strong performance in its oil-to-chemicals and retail businesses.

Its retail business benefited from a rebound in consumer demand in the festival season and as coronavirus-related curbs lifted towards the end of 2021, while higher refining margins and improved price realizations bolstered its mainstay energy business.

The company, led by Asia's richest man Mukesh Ambani, said its consolidated profit rose to 185.49 billion rupees (\$2.50



A customer wearing protective mask pushes a trolley with grocery items past Reliance Jewels and Reliance Digital stores of Reliance Industries Ltd, in Mumbai

bn) in the quarter ended Dec. 31, beating analysts' expectations of 154.74 bn rupees.

"The recovery in global oil

and energy markets supported strong fuel margins and helped our O2C (oil-to-chemicals) business deliver robust

earnings," Ambani said in a statement.

Revenue from Reliance's O2C operations - comprising the world's biggest refining complex at Jamnagar, and petrochemicals plants - surged 57% to 1.31 trillion rupees, while the retail segment revenue jumped more than 52% to 577.17 bn rupees.

The company said overall revenue from operations rose 54% to 1.91 trillion rupees.

The conglomerate also recorded a one-off gain of 28.72 bn rupees from the sale of its shale gas assets.

Reliance, which produces gas from an ultra deep water block in the country's east coast, expects revenue from gas sales to rise from April.

Bitcoin falls 5.6% to \$34,448

Reuters

Bitcoin dropped 5.6% to \$34,448.94 at 18:10 GMT yesterday, losing 1,878.27 from its previous close.

Bitcoin, the world's biggest and best-known cryptocurrency, is up 1.8% from the year's low of \$34,000 on Jan. 22.

Either, the coin linked to the ethereum blockchain network,



dropped 8.4% to \$2,352.72 on Saturday, losing \$189.64 from its previous close.

Intel's \$20 billion Ohio factory could become world's largest chip plant

Reuters | Washington/San Francisco

Intel Corp said on Friday it would invest up to \$100 billion to build potentially the world's largest chip-making complex in Ohio, looking to boost capacity as a global shortage of semiconductors affects everything from smartphones to cars.

The move is part of Chief Executive Officer Pat Gelsinger's strategy to restore Intel's dominance in chip making and reduce America's reliance on Asian manufacturing hubs, which have a tight hold on the market.

An initial \$20 billion investment - the largest in Ohio's history - on a 1,000-acre site in New Albany will create 3,000 jobs,



Chief Executive Officer Pat Gelsinger

Gelsinger said. That could grow to \$100 billion with eight total fabrication plants and would be the largest investment on record in Ohio, he told Reuters.

Dubbed the silicon heartland, it could become "the largest semiconductor manufacturing location on the planet," he said.

While chipmakers are scram-

bling to boost output, Intel's plans for new factories will not alleviate the current supply crunch, because such complexes take years to build.

Gelsinger reiterated on Friday he expected the chip shortages to persist into 2023.

To dramatically increase chip production in the United States, the Biden administration aims to persuade Congress to approve \$52 billion in subsidy funding.

US House Speaker Nancy Pelosi said on Friday the House of Representatives would soon introduce a bill on competitiveness to help bolster semiconductor investment and supply chains. That would include the \$52 billion funding.

US President Joe Biden touted

Intel's investment on Friday at a White House event with Gelsinger and again made the case for congressional action.

"China is doing everything it can to take over the global market so they can try to out-compete the rest of us," Biden said.

US Commerce Secretary Gina Raimondo said at the event the current semiconductor supply chain is "far too dependent on

conditions and countries halfway around the world."

Gelsinger said without government funding "we're still going to start the Ohio site. It's just not going to happen as fast and it's not going to grow as big as quickly."

Construction of the first two factories is expected to begin late in 2022 and production in 2025.



Overall demand for semiconductors of all stripes - from basic microcontrollers and memory chips to the most sophisticated high-performance processors - has grown over the past decade, as smartphone usage and computing power boomed. A steady rise in semiconductor sales faltered in 2019, but was then boosted 5.4% by 2020's shelter-in-place demand for home gadgets, IDC data shows.