BusinessWorld
WEDNESDAY, OCTOBER 12, 2022
EDITOR FRANCISCO P. BALTAZAR

Gold pulled 1% lower by strong dollar, big Fed rate hike bets

GOLD PRICES fell more than 1% on Monday, as an elevated dollar and solidifying bets for an aggressive interest rate hike from the US Federal Reserve pushed the non-yielding bullion to its lowest in a week.

Spot gold fell 1.4% to $1,670.89 per ounce by 13:52 a.m. EDT (1752 GMT) while US gold futures settled down 2% at $1,675.2.

Gold has now fallen for a fourth consecutive session, in potentially its worst run since mid-August.

Rising interest rates and a strong US dollar are continuing to pressure gold and are overwhelming any safe-haven demand currently arising from the latest escalation in the Ukraine crisis, said David Meger, director of metals trading at High Ridge Futures.

Fed fund futures are now pricing in a 92% chance of a 75-basis-point hike at the next Fed meeting. Higher interest rates increase the opportunity cost of holding zero-yield bullion.

Russia rained cruise missiles on busy Ukrainian cities on Monday in what the United States called "horrific strikes", killing civilians and knocking out power and heat with its most widespread air attacks since the start of the war.

Investors now look to key US inflation data due later this week.

The Fed may still be able to lower inflation without a sharp rise in unemployment even as it keeps raising interest rates, Chicago Fed president Charles Evans said on Monday, a rebuttal to arguments the US central bank is pushing the world and the United States towards a potentially sharp downturn.

Spot silver dropped by 2.2% to $19.66 per ounce, and platinum fell 1.2% to $901.06. Palladium gained 0.2% to $2,186.03. — ***Reuters***

JOB OPENING

Customer Protection Contact Center Analyst with Dutch

The Legal and RG International team within Customer Services is responsible for conducting detailed investigations of International customers to detect potential vulnerable gambler and working in close collaboration with the AML team. Investigations are conducted to ensure that the customer can legitimately support their levels of play and are protected from gambling harm.

Mainly be responsible for outbound (potentially inbound) contact of customers, by telephone or other electronic means, in order to address potential Safer Gambling, or Affordability concerns.

Responsible in handling sensitive customer information and dealing with potentially vulnerable customers in a calm, professional and empathetic manner.

Duties and Responsibilities:

- Contacting customers to address any potential Safer Gambling or Affordability concerns
- Deliver outstanding customer service while encouraging the use of Safer Gambling tools or seeking Source of Funds clarifications/evidence
- Use judgement and analysis to evaluate the customer responses and apply any appropriate controls to mitigate the risk in a timely manner
- Ensure all necessary actions are taken e.g. loss limits, deposit limits, account closure and maintain a clearly documented audit trail of decision making
- Handle sensitive information in line with data privacy requirements
- Share best practice with colleagues and provide ideas to improve processes

Qualification:

- Excellent written and verbal Dutch
- Business level of English is required
- Ability to communicate sensitively and calmly, particularly with customers who may be distressed or angry
- Understanding of Responsible Gambling tools and policy requirements
- Proven track record in delivering high quality work in a fast-paced, challenging environment.
- Practical application of policy directives
- Evidence of sound judgement and analysis to identify potentially vulnerable customers.
- Previous experience in a Call Center environment
- Ability to examine problems and strategize for solutions
- Self-motivated, organized, and highly efficient personality
- Must be detail orientated and analytical

NCH Customer Support Services, inc.
6th Flr. Tower 3, Double Dragon Plaza, EDSA Extension corner Macapagal Avenue, Barangay 076, Pasay City
Email: **hroperations_manila@entaingroup.com**

JOB OPENING

(2) Customer Support Advisor (German Speaking)

Entain is one of the world's largest sports betting and gaming groups, operating both online and in the retail sector. With offices across five continents and licenses in more than 20 countries, we operate some of the most well-known and iconic brands in the industry with more than 250 years of combined history – names such as Ladbrokes, partypoker, bwin and Coral.

Are you looking for a great opportunity to develop your skills? Are you a flexible, driven and solution-oriented person with an open mindset? Are you a real people's person with amazing customer service skills?

Seize the opportunity and find out more about us!

We're looking for real team players to be a part of Entain and provide professional support to our customers.

Duties and Responsibilities:

- Handling customer inquiries via chat/e-mail/phone; including but not limited to product related (Sport, Casino, Poker) as well as cashier related matters
- Assessing individual issues and taking appropriate action to ensure customer needs are met
- Working in coordination with other teams based at different locations that share similar objectives
- Escalating system anomalies and general issues faced by customers to the relevant party
- Understanding Standard Operating Procedures and delivering service / quality standards to agreed level.

Qualification:

- German language skills to a business standard (C1)
- English language skills to a business standard
- Excellent written and verbal skills as well as high interpersonal skill level
- Calm manner and able to work under pressure and be confident in answering a wide range of customer enquiries
- Ability to perform well in a multi-task/ cultural and ever-changing dynamic environment
- A flexible, creative and driven personality
- General computer knowledge (MS office, Internet)
- Willingness and flexibility to work in shifts
- Interest in Sports, Casino and Poker products would be a benefit, relevant training will be provided
- Strong Communicator

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Oil falls 2% as recession fears outweigh tight global supply

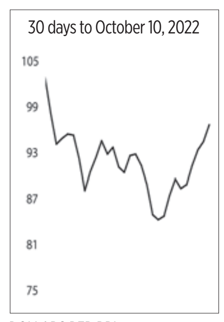
NEW YORK — Oil prices sank by nearly 2% on Monday, after five straight sessions of gains, as investors worried that economic storm clouds could foreshadow a global recession and erode fuel demand.

Brent crude futures settled at $96.19 a barrel, down $1.73 or 1.8%. West Texas Intermediate (WTI) crude settled at $91.13 a barrel, losing $1.51 or 1.6%. Both benchmarks had risen over the previous week largely on expectations of tightening global supply.

Oil prices fell amid comments from US Federal Reserve officials about rising interest rates and their effect on the economy.

Fed Vice Chair Lael Brainard said the economy is starting to feel more restrictive monetary policy, but the full brunt of the central bank's interest rate hikes will not be apparent for months.

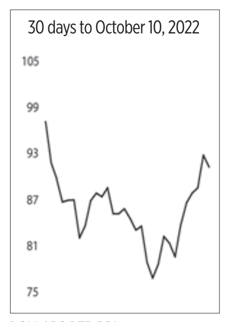
ASIA-DUBAI
(OCTOBER CONTRACT)



DOLLARS PER BBL

Oct.	4	5	6	7	10
$/bbl	88.80	91.20	93.26	94.35	96.54
Average (Oct. 3-10)	$92.07				
Average (Sept. 1-30)	$90.92				

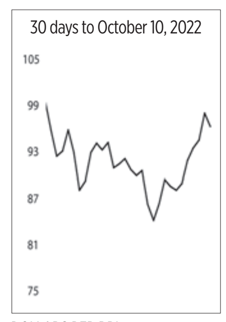
NEW YORK-WTI
(NOVEMBER CONTRACT)



DOLLARS PER BBL

Oct.	4	5	6	7	10
$/bbl	86.52	87.76	88.45	92.64	91.13
Average (Oct. 3-10)	$88.36				
Average (Sept. 1-30)	$83.80				

LONDON-BRENT
(DECEMBER CONTRACT)



DOLLARS PER BBL

Oct.	4	5	6	7	10
$/bbl	91.80	93.37	94.42	97.92	96.19
Average (Oct. 3-10)	$93.76				
Average (Sept. 1-30)	$90.57				

Source: REUTERS

Ms. Brainard's comments followed remarks by Chicago Fed President Charles Evans that there was a strong consensus at the Fed to raise the target policy rate to around 4.5% by March and hold it there.

Oil prices also struggled under a strengthening US dollar, which rose for a fourth session. A stronger dollar makes crude more expensive for non-American buyers.

The prospect of tightening OPEC+ oil supplies limited declines in prices. The Organization of the Petroleum Exporting Countries and allies including Russia, together known as OPEC+, decided last week to lower their output target by 2 million barrels per day.

But signs that the group's de facto leader, Saudi Arabia, will continue to serve Asian customers at full levels lowered expectations of the cuts' impact.

Saudi Aramco has told at least seven customers in Asia they will receive full contract volumes of crude oil in November ahead of the peak winter season, several sources with knowledge of the matter said.

Concerns over still relatively robust demand as the pandemic has eased meeting potentially scarce supply have been deepened as the European Union late last week endorsed a Group of Seven plan to impose a price cap on Russian oil exports.

The complicated new sanctions package could end up shutting in considerable supplies of Russia crude, analysts have warned. — ***Reuters***

SPOT PRICES

MONDAY, OCTOBER 10, 2022

METAL

PALLADIUM free $/troy oz	2,256.31
PALLADIUM JMI base, $/troy oz	2,267.00
PLATINUM free $/troy oz	909.41
PLATINUM JMI base $/troy oz	916.00
KRUGGERAND, fob $/troy oz	1,668.00
IRIDIUM, whs rot, $/troy oz	4,040.00
RHODIUM, whs rot, $/troy oz	13,990.00

GRAINS (October 6, 2022)
(FOB Bangkok basis at every Thursday)

FRAGRANT (100%) 1st Class, $/ton	922.00
FRAGRANT (100%) 2nd Class, $/ton	895.00
RICE (5%) White Thai- $/ton	439.00
RICE (10%) White Thai- $/ton	438.00
RICE (15%) White Thai- $/ton	434.00
RICE (25%) White Thai- $/ton (Super)	434.00
BROKER RICE A-1 Super $/ton	391.00

FOOD

COCOA ICCO Dly (SDR/mt)	1,773.34
COCOA ICCO $/mt	2,274.35
COFFEE ICA comp '2001 cts/lb	191.62
SUGAR ISA FOB Daily Price, Carib. port cts/lb	17.92
SUGAR ISA 15-day ave.	17.58

LIFFE COFFEE

New Robusta 10 MT - $/ton

	High	Low	Sett	Psett
Nov.	2,161	2,140	2,158	2,155
Jan.	2,157	2,138	2,154	2,154
Mar.	2,135	2,115	2,133	2,133
May	2,119	2,099	2,118	2,118

LIFFE COCOA

(Ldn)-10 MT-£/ton

	High	Low	Sett	Psett
Dec.	2,023	1,990	1,992	2,008
Mar.	1,954	1,925	1,928	1,939
May	1,909	1,887	1,890	1,899
July	1,891	1,874	1,876	1,882

COCONUT

MANILA COPRA (based on 6% moisture)

Peso/100kg		Buyer/Seller
Lag/Qzn/Luc	22	3,350.00/3,400.00

Philippine Coconut Oil - Crude

CIF NY/NOLA	60.00
PALM OIL RAIL/NOLA	63.00

COCONUT OIL (PHIL/IDN),$ per ton, CIF Europe

Oct./Nov.'22	0.00/1,120.00
Nov./Dec.'22	0.00/1,110.00
Dec./Jan.'23	1,070.00/1,120.00
Jan./Feb.'23	1,080.00/1,135.00

LONDON METAL EXCHANGE

LME FINAL CLOSING PRICES, US$/MT

	3 MOS
ALUMINUM H.G.	2,260.00
ALUMINUM Alloy	1,760.00
COPPER	7,578.50
LEAD	1,989.50
NICKEL	22,412.00
TIN	20,085.00
ZINC	2,964.00

Nasdaq ends lowest since July 2020; chip stocks fall

US STOCKS fell on Monday, with the Nasdaq posting its lowest close since July 2020, as investors worried about the impact of higher interest rates and pulled out of chipmakers after the United States announced restrictions aimed at hobbling China's semiconductor industry.

Federal Reserve Vice Chair Lael Brainard said tighter US monetary policy has begun to be felt in an economy that may be slowing faster than expected, but the full brunt of Fed interest rate increases still won't be apparent for months.

Despite growing concerns by a number of economists and analysts that the Fed's interest rate hikes could increase unemployment, Chicago Fed President Charles Evans continued to back the central bank's attempt to lower inflation, saying that while it sounds "optimistic" he believed it could do so "while also avoiding recession."

"People are worried about the economy. People are worried about a possible recession," said Jake Dollarhide, chief executive officer of Longbow Asset Management in Tulsa, Oklahoma.

The Philadelphia SE Semiconductor index dropped 3.5% after the Biden administration published a set of export controls on Friday, including a measure to cut China off from certain semiconductor chips made anywhere in the world with US equipment.

Shares of Nvidia Corp. fell 3.4%, while Qualcomm, Inc., Micron Technology, Inc. and Advanced Micro Devices also ended lower.

Investors were also cautious ahead of the US third-quarter earnings season, which is set to kick off on Friday with results from some of the major banks.

The Dow Jones Industrial Average fell 93.91 points or 0.32% to 29,202.88; the S&P 500 lost 27.27 points or 0.75% to 3,612.39; and the Nasdaq Composite dropped 110.30 points or 1.04% to 10,542.10.

Estimates for third-quarter earnings have come down in recent weeks. Analyst now expect year-over-year earnings for S&P 500 companies to have risen 4.1% in the quarter, compared with an increase of 11.1% expected at the beginning of July, according to IBES data from Refinitiv.

Microsoft's stock was down 2.1% and was among the biggest drags on the three major indexes. S&P 500 technology led sector declines along with energy.

Investors were also awaiting US inflation data this week.

The US bond market was shut for the Columbus Day holiday.

Declining issues outnumbered advancing ones on the New York Stock Exchange by a 2.43-to-1 ratio; on Nasdaq, a 1.79-to-1 ratio favored decliners.

The S&P 500 posted 1 new 52-week highs and 73 new lows; the Nasdaq Composite recorded 58 new highs and 461 new lows.

Volume on US exchanges was 9.66 billion shares, compared with the 11.73 billion average for the full session over the last 20 trading days. — ***Reuters***

JPMorgan CEO warns of recession in 6 to 9 months

JPMORGAN Chase & Co. Chief Executive Officer (CEO) Jamie Dimon said the United States and the global economy could tip into a recession by the middle of the next year, CNBC reported on Monday.

Runaway inflation, big interest rates hikes, the Russian invasion of Ukraine and the unknown effects of the Federal Reserve's quantitative tightening policy are among the indicators of a potential recession, he said in an interview to the business news channel.

"These are very, very serious things which I think are likely to push the US and the world — I mean, Europe is already in recession — and they're likely to put the US in some kind of recession six to nine months from now," Mr. Dimon said.

His comments come as the big US banks are set to report their third-quarter earnings from Friday. So far this year, the benchmark S&P 500 index has lost about 24%, with all the three major US indices trading in bear market territory.

Mr. Dimon said the S&P 500 could fall by "another easy 20%" from the current levels, with the next 20% slide likely to "be much more painful than the first," according to the CNBC report.

Earlier this year, Mr. Dimon had asked investors to brace for an economic "hurricane," with JPMorgan, the biggest US investment bank, suspending share buybacks in July after missing quarterly Wall Street expectations.

In June, Goldman Sachs had predicted a 30% chance of the US economy tipping into recession over the next year, while the economists at Morgan Stanley placed the odds of a recession for the next 12 months at around 35%.

World Bank President David Malpass and International Monetary Fund Managing Director Kristalina Georgieva also warned on Monday of a growing risk of global recession and said inflation remained a problem after Russia's invasion of Ukraine. — ***Reuters***

Australian gov't hopes to fend off recession despite global economic dangers — Treasurer

SYDNEY — The Australian economy will likely avoid a recession despite the world economy being in "a dangerous place right now," Treasurer Jim Chalmers said on Tuesday, ahead of the government's first budget in two weeks.

Speaking to reporters, Mr. Chalmers warned the global economy was heading for a substantial downturn and Australia would not be "immune" from that.

However, it was not the government's expectation that Australia's economy will go backwards.

"The budget that I hand down ... won't have an expectation or a forecast that the Australian economy falls into recession," he said.

Aggressive rate hikes to curb runaway inflation, continuing high food and energy prices and geopolitical risks from Russia's war in Ukraine have heightened concerns for global recession in the months to come.

Both World Bank and International Monetary Fund on Monday warned of a growing risk of global recession, citing concerns about slowing growth in advanced economies and currency depreciation in many developing countries.

Mindful of the economic strains already in the domestic economy with households under pressure and business grappling with rising costs, the Reserve Bank of Australia last week unexpectedly slowed the pace of rate hike with an increase of 25 basis points (bps), after four outsized moves of 50 bps.

The RBA also warned of rising financial stability risks, which would be "magnified by a further substantial tightening in global financial conditions."

Mr. Chalmers said inflation, the global economy and spending pressures are the three most important factors which would provide the backdrop for the budget, which will be unveiled on Oct. 25. This will be the Labor government's first budget after winning election in May.

"We can expect substantial downgrades to the global growth outlook in the Budget," said Mr. Chalmers. "It won't be fancy. It won't be flashy. It will be responsible. It will be solid." — ***Reuters***

Germany girds for gas supply pain, targets $93-B price relief plan

BERLIN — Germany on Monday said it plans to urgently implement a €96-billion ($93 billion) plan to ease pressure on consumers from surging gas prices as it was warned that the supply situation heading into winter remained tense even with full reserves.

Berlin said it supported the commission's proposals to give households and small and medium-sized businesses a one-off payment worth one month's gas bill this year and a mechanism to limit prices from March, and it was working to implement them.

"The supply situation remains tense despite the filled storage facilities," Michael Vassiliadis, head of trade union IG BCE and one of the commission experts, told a news briefing, adding that the panel hoped their plan would curb inflation.

If adopted, the plan would be paid for by a 200-billion euro relief package Chancellor Olaf Scholz's government announced last month to reduce the impact of energy prices on Europe's largest economy, which experts have estimated needs to cut consumption by a fifth to get through winter and beyond without rationing.

The package will be funded through additional loans that will be authorized this year, but the debt will not be included in this year's budget or next year's debt calculations. This would allow the government to uphold Finance Minister Christian Lindner's call for the debt brake to be reimposed next year after it was suspended in 2020.

The money will be provided through reactivating the Economic Stabilization Fund (ESF) which was originally introduced in 2020 to bail out the airline Lufthansa during the pandemic.

"Is it perfect? Certainly not. Does it include guidelines that can help? We think so," said Siegfried Russwurm, president of Germany's BDI industry association and member of the commission.

German inflation hit its highest level in more than a quarter of a century in September at 10.9%, driven up by higher energy costs that have piled pressure on Scholz to address a cost-of-living crunch exacerbated by Russia's invasion of Ukraine.

Shares in Germany's energy-intense companies soared on the prospect of financial help, with Covestro, BASF, Heidelberg Materials, Lanxess and Thyssenkrupp all up 6% to 10%.

European Union (EU) members have been drawing up a range of initiatives to cope with plummeting supplies from Russia, which once supplied 40% of Europe's needs, and rocketing gas prices, although Germany has faced some criticism for pressing ahead with plans that poorer EU members cannot match.

Under a second stage of Germany's plan, the brake would cut the gas price to 12 cents from March through to the end of April 2024 on 80% of usage. For large industrial customers, a price brake of seven cents is to apply to the procurement price from January 2023. — ***Reuters***