

Gold bullion steadies as US dollar pulls back

GOLD PRICES steadied on Tuesday, buoyed a dollar retreat, although expectations that the US Federal Reserve will likely keep interest rates higher for longer after strong US data kept bullion near the six-week low.

Spot gold was little changed at \$1,905.19 per ounce by 1:51 p.m. EDT (1751 GMT), having hit its lowest level since June 29 at \$1,895.50 earlier in the session.

US gold futures settled 0.5% lower at \$1,935.20.

US retail sales jumped 0.7% last month, the Commerce department said on Tuesday, suggesting the economy was continuing to expand early in the third quarter. Economists polled by Reuters had forecast retail sales would climb 0.4%.

Offering some respite, the dollar index fell 0.1% against its rivals, making gold less expensive for other currency holders.

According to the CME's FedWatch Tool, the probability that the Fed will leave rates unchanged this year is at 88.5%. The Fed has since March 2022 raised its benchmark overnight interest rate by 525 basis points to the current 5.25%-5.50% range.

Indicative of sentiment, holdings of the world's largest gold-backed exchange-traded fund, SPDR Gold Trust, fell to their lowest since January 2020 on Monday.

Elsewhere, spot silver was down 0.1% at \$22.59 an ounce, platinum dropped 1.3% to \$890.07, and palladium shed nearly 3% to \$1,231.98. — Reuters

SPOT PRICES

TUESDAY, AUGUST 15, 2023

Table with 2 columns: Item Name and Price. Includes METAL (Palladium, Platinum), GRAINS (Rice, Wheat), and FOOD (Cocoa, Coffee, Sugar).

LIFFE COFFEE

Table with 4 columns: High, Low, Sett, Psett. Shows price movements for Sept, Nov, Jan, Mar.

LIFFE COCOA

Table with 4 columns: High, Low, Sett, Psett. Shows price movements for Sept, Dec, Mar, May.

COCONUT

Table with 2 columns: Item Name and Price. Lists prices for Manila Copra, CIF NY/NOLA, and COCONUT OIL.

LONDON METAL EXCHANGE

Table with 2 columns: Item Name and Price. Lists LME Final Closing Prices for Aluminum, Copper, Lead, Nickel, Tin, and Zinc.

Oil prices fall over 1% on worries about faltering China economy

NEW YORK — Oil prices fell over 1% on Tuesday on sluggish Chinese economic data coupled with fears that Beijing's unexpected cut in key policy rates was not sufficiently substantial to rejuvenate the country's sputtering post-pandemic recovery.

Brent crude futures fell \$1.32 or 1.5% to settle at \$84.89 a barrel, while US West Texas Intermediate (WTI) crude dropped \$1.52 or 1.8% to \$80.99.

Supply cuts by Saudi Arabia and Russia, part of the OPEC+ group comprising the Organization of the Petroleum Exporting Countries (OPEC) and allies, have helped to galvanize a rally in prices over the past seven weeks.

Both Brent and WTI, however, have fallen for two consecutive sessions as the oil market takes a breath,

ASIA-DUBAI (AUGUST CONTRACT)

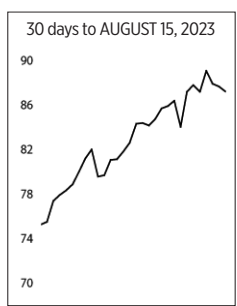


Table with 2 columns: Date and Price. Shows daily price changes for Asia-Dubai.

NEW YORK-WTI (SEPTEMBER CONTRACT)

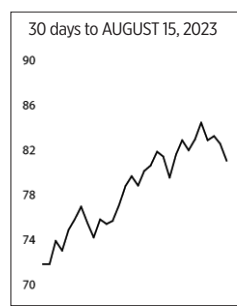


Table with 2 columns: Date and Price. Shows daily price changes for New York-WTI.

LONDON-BRENT (OCTOBER CONTRACT)

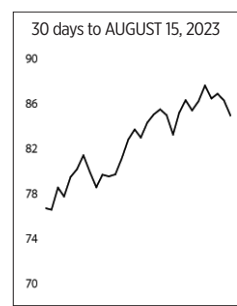


Table with 2 columns: Date and Price. Shows daily price changes for London-Brent.

said Andrew Lipow, president at Lipow Oil Associates in Houston.

Weighing on sentiment, China's industrial output and retail sales data showed the economy

slowed further last month, intensifying pressure on already faltering growth and prompting authorities to cut key policy rates to bolster economic activity.

NYSE tumbles; strong retail sales stoke rate worries

NEW YORK — Wall Street's main stock indexes closed sharply lower on Tuesday after stronger-than-expected retail sales data stoked worries interest rates could stay higher for longer, while US big banks dropped on a report that Fitch could downgrade some lenders.

The Commerce department report showed retail sales grew 0.7% last month against expectations of a 0.4% rise, suggesting the US economy remains strong.

After the data, traders' bets of a pause on hikes by the US Federal Reserve next month stayed intact at 89%, yet analysts said investors were worried rates could stay at current levels longer than anticipated.

Banks saw the brunt of the selling as investors grew more anxious about interest rates. The US Treasury yield curve has been inverted for over a year, with longer-term bonds yielding less than short-term debt instruments.

The S&P 500 dropped 1.16% to end the session at 4,437.86 points.

The S&P 500 closed below its 50-day moving average for the first time since March.

The Nasdaq declined 1.14% to 13,631.05 points, while Dow Jones declined 1.02% to 34,946.39 points.

Volume on US exchanges was relatively light, with 10.1 billion

shares traded, compared to an average of 10.9 billion shares over the previous 20 sessions.

A report said ratings agency Fitch could downgrade multiple banks. Shares of JPMorgan Chase fell 2.5%; Bank of America fell 3.2%; and Wells Fargo dropped 2.3%.

Shares of regional lenders PacWest Bancorp, Zions Bancorp, and Western Alliance Bank slipped between 3.7% to 4.5% after the Federal Deposit Insurance Corp.'s latest regulatory overhaul proposal.

The S&P 500 banking index hit a one-month low, down 2.75%, while the KBW regional banking index also plunged 3.4%.

When the oil market appears to be comfortable, it is often the case that China is the number one fire douser, throwing a wet blanket over those dreaming of prices north of \$90, said John Evans of oil broker PVM.

China's central bank lowered interest rates marginally after the data that highlighted intensifying pressure on the economy, mainly from the property sector, though analysts say the cut was too small to make a meaningful difference.

On a brighter note, refinery throughput in China rose in July 17.4% from a year earlier as refiners kept output elevated to meet demand for domestic summer travel and to cash in on high regional profit margins by exporting fuel. — Reuters

Intel Corp. to drop \$5.4-billion deal to buy Tower after China review delay

NEW YORK — Intel Corp. will drop its \$5.4-billion deal to acquire Israeli contract chipmaker Tower Semiconductor Ltd. once their contract expires later on Tuesday without regulatory approval from China, according to people familiar with the matter.

Intel, which signed the deal to buy Tower in February 2022, did not secure approval from Chinese regulators for the acquisition on time as required under the contract, the sources said, requesting anonymity ahead of an official announcement.

The development underscores how tensions between the United States and China over issues including trade, intellectual property and the future of Taiwan are spilling over into corporate dealmaking, especially when it comes to technology companies.

Intel does not plan to negotiate an extension of the contract, and will instead pay Tower a \$353 million break-up fee to walk away, the sources added.

It was unclear whether regulators would have approved the deal had the

companies extended their contract and waited for the review's completion.

Intel and Tower declined to comment. Representatives for the State Administration for Market Regulation, China's antitrust regulator, could not be immediately reached for comment.

Last year, DuPont De Nemours, Inc. scrapped its \$5.2-billion deal to buy electronics materials maker Rogers Corp. after delays in securing approval from Chinese regulators.

Intel Chief Executive Pat Gelsinger had said he was trying to get the Tower deal approved by Chinese regulators and had visited the country as recently as last month to meet with government officials.

But Mr. Gelsinger also said Intel was investing in its foundry business, which makes chips for other companies, irrespective of the Tower deal.

In June, Israeli Prime Minister Benjamin Netanyahu announced that Intel had agreed to spend \$25 billion on a new factory in Israel,

the largest-ever international investment in the country.

Investors had given up hope on the Tower deal as a result. Tower's Nasdaq-listed shares ended trading at \$33.78 on Tuesday, a steep discount to the \$53 per share deal price.

In the second quarter, Intel's foundry business reported revenue of \$232 million, up from \$57 million a year earlier, as it made advances on rivals such as industry leader Taiwan Semiconductor Manufacturing Co.

The rise in foundry sales came from "advanced packaging," a process in which Intel can combine pieces of chips made by another company to create a more powerful chip.

Demand for Intel's chips has cooled after two years of strong growth driven by remote work during the pandemic, leading the chipmaker to turn to cost cuts. It has committed to trimming \$3 billion in costs this year, with an aim of saving between \$8 billion and \$10 billion by the end of 2025. — Reuters

Musk's X delays access to content on Reuters, New York Times, and social media rivals

SOCIAL media company X, formerly known as Twitter, delayed access to links to content on the Reuters and New York Times websites as well as rivals like Bluesky, Facebook, and Instagram, according to a Washington Post report on Tuesday.

Clicking a link on X to one of the affected websites resulted in a delay of about five seconds before the webpage loaded, the Washington Post reported, citing tests it

conducted on Tuesday. Reuters also saw a similar delay in tests it ran.

By late Tuesday afternoon, X appeared to have eliminated the delay. When contacted for comment, X confirmed the delay was removed but did not elaborate.

A Reuters spokesperson said: "We are aware of the report in the Washington Post of a delay in opening links to Reuters stories on X. We are looking into the matter." — Reuters

VinFast's share prices surge in Nasdaq debut for Vietnam electric vehicle maker

HANOI/SINGAPORE — VinFast's shares soared in thin trading in their Nasdaq debut on Tuesday following the Vietnamese electric vehicle (EV) maker's \$23 billion backdoor listing as the startup said it was likely to raise money from global investors within 18 months.

The stock opened at \$22, more than double the \$10 per share agreed with VinFast's SPAC partner Black Spade Acquisition that had valued VinFast at \$23 billion.

It surged further during the session, ending at \$37.06 and valuing the EV maker, which has not posted a profit, at \$85 billion, more than Ford's market capitalization at \$48 billion and General Motors' \$46 billion stock market value.

About \$185 million worth of the company's shares were exchanged, according to Refinitiv data.

The merger with the special purpose acquisition company (SPAC) gave VinFast a listing in a market where founder Pham Nhat Vuong

hopes to take on industry leader Tesla with a \$4 billion factory under construction and a new approach to sales to bring in dealers.

Vietnam's richest man, Mr. Vuong is the beneficial owner of 99% of VinFast's 2.3-billion ordinary shares after the merger through his flagship company and affiliates.

"We have a number of strategic investors and institutional investors lined up. We expect to formulate some kind of capital raising over the next 18 months, for sure," VinFast Chief Financial Officer David Mansfield told Reuters.

VinFast has shipped nearly 3,000 vehicles to North America since late last year, but initial sales have been slow. S&P Global Mobility says that only 137 VinFast EVs had been registered in the United States through June.

"The Street has all its eyes on the leaders in this next frontier with many winners, along with Tesla, in this green EV tidal wave playing out

for the coming years," Wedbush Securities analyst Dan Ives said.

VinFast CEO Le Thi Thu Thuy said the company was changing its distribution model, which had been based on Tesla's direct-to-consumer approach, and expected to partner with dealers in overseas markets.

"We are switching to a hybrid model where we have our own showrooms, as well as talking to dealers to open dealer showrooms," Thuy said in an interview with Reuters.

VinFast was formed as a unit of Vietnam's largest conglomerate Vingroup. Mr. Vuong, Vingroup, and affiliates had invested \$9.3 billion in the EV maker, according to a June filing. Mr. Vuong pledged \$2.5 billion in April to bolster the EV maker, including \$1 billion from his personal fortune.

VinFast's first-quarter revenue dropped 49% from the previous year, and it posted a net loss of \$598 million. In 2022, the company posted a loss of \$2.1 billion. — Reuters

SM Foundation introduces rainwater harvesting for sustainable impact



SMFI Health and Medical Programs Senior Project Manager Albert Uy inspects the water catchment to ensure its reliability.



Faucets connected to the rainwater catchment are duly marked to help guide the community.

In line with the SM Green Movement, the SM group, through SM Foundation, recently established a rainwater harvesting system at the Brgy. Irawan Birthing Facility in Puerto Princesa City, Palawan. The ini-

tiative aims to strengthen their goal of preserving the environment and ensuring the health and wellness of future generations.

To enhance water conservation and management in the facility, the system collects rainwater from the roof and gutter, passing it through vinyl-coated mesh filters to help ensure water quality. With an 800-liter storage capacity, the harvested water serves the facility's non-potable needs like watering plants, cleaning, and toilet flushing.

The rainwater harvesting facility also operates without electricity and features labeled faucets for intuitive recycled water use.

Midwife Narcisa Jagmis, who leads the said birthing facility, said that the facility will help them reduce their reliance on the city's water supply systems.

"Mahalagang hindi kami nawawalan ng tubig sa center, lalo na po pag nag-simula kaming magoperate bilang birthing clinic. Ngunit minsan po, walang dumadalong na tubig at wala kaming mapagkukunan," Jagmis shared.

"Kaya napaka laking tulug po ng natural na tubig mula sa rainwater catchment system na. Madali namin itong naaccess upang gamitin ng panglinis o pandilig dahil konektado ito sa mga gripo. Ang tubig naman mula sa main line ay maitatabi namin para sa aming sterile operations," she said.