EU to assess tech security risks and consider controls

BRUSSELS — The European Union (EU) will assess whether semiconductor, artificial intelligence (AI), and quantum technologies and biotechnology pose a risk to the bloc's economic security, which could lead to curbs on exports or investments in third countries such as China.

The European Commission said on Tuesday it had established a list of four technologies, as well a further six to look into later, as part of the **European Economic Security** Strategy it unveiled in June.

The EU executive said then $that \, exporting \, or \, sharing \, such$ technologies could constitute a risk if put to military use or used in human rights abuses by "countries of concern."

The Commission stresses that it must first carry out a risk assessment with the EU's 27 members and consulting companies before determining any measures. In some cases, the response could be to drive investment or seek alliances with partners to reduce dependencies.

The EU executive says its assessment, to be completed by the end of the year, will not focus on any third countries. The economic security paper does not name China, but talks of partnering with like-minded countries and de-risking, which form part of its policy of reducing reliance on China.

"The risk assessment will be country agnostic, but we will take into account geopolitical factors to determine how severe those risks are," an EU official said.

The four technologies were chosen because they are considered highly likely to pose the most immediate risks.

In advanced semiconductor technologies, areas of focus include microelectronics and chip-making equipment, in AI data analytics and object recognition, and for quantum cryptography, communications and sensing.

In biotechnology, the assessment will look into genetic modifications and new genomic techniques.

The Commission could propose risk assessments of other technologies early in 2024. The EU action mirrors similar exercises by the US, Japan, Britain, and Australia.

The EU has previously carried out an assessment of the security of its 5G networks, which has led some EU countries to restrict use of equipment made by China's Huawei and ZTE. - **Reuters**

Belize to launch project to make biofuel from seaweed clogging Caribbean coasts

BELIZE is developing a pilot project to convert the masses of foul-smelling sargassum seaweed swamping its pristine beaches into biofuel, its prime minister said in a statement published by regional Caribbean bloc CARICOM on Tuesday.

Many Caribbean countries depend economically on drawing travelers from around the world to their white sand beaches, but since 2010 heaps of rotting seaweed have been massing on the shores for reasons scientists do not yet fully understand but suspect are related to climate change.

Floating sargassum provides shelter and food for marine animals but as it washes ashore it can smother ecological habitats and begins to rot, becoming harmful to humans.

Belize Prime Minister John Briceno said in the statement the \$50 million facility, result of a public-private partnership with German company Variodin, would convert municipal solid waste and sargassum into diesel fuel replacements.

The facility could be scaled up with more financing, he added, saying it would sign a power purchase agreement for energy generated from the plant.

"Research conducted shows that conversion of sargassum into the Belize energy mix is a viable solution to the problem," he said, without detailing when the plant would be operational. - Reuters

India asks producers for 'sensitivity' as crude oil price hovers near \$90

ABU DHABI - India, the world's third-biggest oil importer, on Tuesday urged producers to show "sensitivity" toward consuming countries, hit by prices largely trading above \$90 a barrel since Saudi Arabia and Russia decided to extend voluntary cuts to yearend.

"During pandemic, when crude oil prices crashed, the world came together to stabilize the prices to make it sustainable for the producers," Indian oil minister Hardeep Singh Puri, in Abu Dhabi to attend an industry conference, said after a meeting with the Organization of the Petroleum Exporting Countries (OPEC) Secretary General Haitham Al Ghais.

"Now, as the world is at cusp of economic recession and slowdown, oil producers need to show same sensitivity towards the consuming countries," Mr. Puri said on social media platform X, formerly known as Twitter.

The US and Western allies have urged OPEC+ to raise output to secure lower energy costs and help the global economy. OPEC+ producers argue they are acting to maintain market stability and being preemptive.

Mr. Puri later told Reuters, in an interview on the sidelines of the ADIPEC conference in Abu Dhabi, he had discussed oil prices with Mr. Ghais.

Mr. Puri has long called for OPEC and its allies led by Russia, known as OPEC+, to consider how their policies affect oil-consuming countries.

India depends on imports for about 85% of its crude needs. India ships in about 60% of its oil imports worth \$101 billion from OPEC nations, Mr. Puri said. - **Reuters**

Surging Tokyo property prices squeeze out young professionals

TOKYO – Mie Kawamata dreamed of owning a home where she could tend a small garden and her oneyear-old daughter could play outside, yet still be close enough to commute to central Tokyo.

But after much searching, Ms. Kawamata and her husband, who both work in accounting, gave up on the house idea and bought an apartment about a third of the size that she'd wanted.

"I'm not sure ordinary people can buy a house anymore," Ms. Kawamata, 31, said. "Housing prices and rents have risen a lot compared to the past, but in the end, salaries haven't gone up that much."

After weathering decades of deflation and stagnant growth, Japan is seeing an investment boom that has made apartments in central Tokyo unaffordable for young Japanese professionals.

The flood of investment drove the average price for a new condominium in central Tokyo up 60% to a record ¥129.6 million (\$865,000) in the first half of this year, according to the Real Estate Economic Institute.

For locals, the surge in prices has made Tokyo the second most unaffordable city worldwide, only behind Hong Kong, according to a UBS global real estate report.

A 60 square meter (646 square feet) apartment in Tokyo now costs 15 times a skilled worker's salary, up from 10 times a decade ago and well above London, Singapore and New York, the UBS report showed.

While partly due to low interest rates, the price surge is being driven by foreign buyers taking advantage of the weak yen, now near a 33-year low, and those looking to shift funds out of China, where a real estate crisis and geopolitical concerns are putting a chill on investment, according to property experts.

Foreigners have piled more than ¥1.8 trillion into Japanese real estate since 2019, outstripping flows from institutional investors, property funds, and corporations, according to consultancy Cushman & Wakefield.

And there's more to come. Funds from property speculators have piled up over the pandemic, and Japan looks to be a prime destination in Asia for it to land, said Cushman & Wakefield director Mari Kumagai.

Average condo prices in central Tokyo were bumped up in the past year by a large supply of high-end residences hitting the market. Emblematic of that is the new Azabudai Hills complex, featuring the country's largest office tower and about 1,400 residential units.

The Azabudai project, which looms over the iconic Tokyo Tower, is catching the attention of investors in Taiwan, said Wang Mao San, president of Shingi-fusaya Realty, Inc.

Super wealthy Taiwanese are snapping up Tokyo properties worth more than ¥100 million for second homes, he said, while regular rich investors focus on condos in the ¥30-¥70 million range in Tokyo and the western metropolis of Osaka.

"In Japan, the political and economical situation is stable," Mr. Wang said about the attractiveness of the market. "Tokyo is still not that expensive compared to other big cities like Hong Kong and London."

A luxury condo in Tokyo's high-end Motoazabu area is priced at less than half that of Hong Kong and 45% cheaper than London, according to the Japan Real Estate Institute data.

That's cold comfort for Mari Mochizuki, a single mother and salesperson for a music company who's been hunting in vain for an apartment big enough for her piano and perhaps the addition of a cat.

The 39-year-old is eager to find a place that will hold its resale value in case she has to move for work. But the options she's seen in the city center are either too pricey or worn out, pushing her search area to the northern edges of the capital. - **Reuters**

Gold at seven

month low as

extend rally

nated sentiment.

US dollar, yields

GOLD PRICES languished near

a seven-month low on Tuesday,

weighed down by a robust dollar

and elevated bond yields as the

likelihood of US interest rates

staying higher for longer domi-

\$1,825.09 per ounce at 1:49 p.m.

EDT (1749 GMT), after hitting its

lowest level since early March.

Spot gold was down 0.1% at

Oil rebounds, settles up despite stronger dollar

NEW YORK - Oil prices recovered to settle slightly higher on Tuesday after sinking to three $ger\,US\,dollar\,and\,darkening\,global$ economic signals but supported by tightening crude supply.

Brent crude oil futures settled 21 cents higher at \$90.92 a barrel, after falling to a session low of \$89.50, the lowest since Sept. 8.

US West Texas Intermediate (WTI) crude, settled up 41 cents at \$89.23 per barrel. The session low was \$87.76, the weakest since Sept. 12.

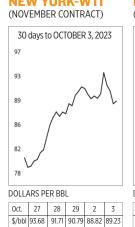
Prices sank early as the US dollar rose to a 10-month high against a basket of major peers after US job openings data pointed to a still-tight labor market that could prompt the US Federal Reserve to raise interest rates next month.

"We have seen an incredible increase in the yields and the dollar and that's raised concerns about demand going forward," said Phil Flynn, an analyst at Price Futures Group.

ASIA-DUBAI (OCTOBER CONTRACT)



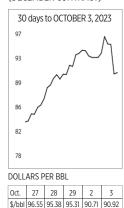
NEW YORK-WTI



Average (October 2-3)

\$89.03

LONDON-BRENT (DECEMBER CONTRACT)



Average (October 2-3) \$90.82 Average (September 1-29) \$92.59

Higher interest rates and a stronger dollar make oil more expensive for holders of other currencies, which could dampen oil demand.

Investors kept an eye on any supply updates following last month's decision by Saudi Arabia and Russia to extend output cuts to the end of the year. The two countries belong to OPEC+, the Organization of the Petroleum Exporting Countries and allies.

The producer group is expected to keep output policy unchanged when it meets on Wednesday, keeping supplies tight.

Saudi Arabia is expected to raise its November official selling price of Arab Light crude to Asia

for a fifth straight month, according to a Reuters survey.

Russia is setting no time frame for a fuel export ban it introduced last month, and which will remain in place as long as necessary to stabilize prices and address shortages on the domestic market, Interfax cited Deputy Prime Minister Alexander Novak as saying.

Talks to restart Iraqi oil exports via a crude oil pipeline that runs through Turkey are still ongoing, an Iraqi oil official told Reuters, a day after Turkey said operations would restart this week after nearly a six-month stoppage.

Iraq, OPEC's second-biggest producer, also said it would award 30 new oil and gas projects in its fifth and sixth licensing rounds.

In US supply, industry data showed crude stocks fell by about 4.2 million barrels in the week ended Sept. 29, according to market sources citing American Petroleum Institute figures on Tuesday. — *Reuters*

SPOT PRICES

TUESDAY, OCTOBER 3, 2023

PALLADIUM free \$/troy oz 1,188.00 PALLADIUM JMI base, \$/trov oz PLATINUM free \$/troy oz PLATINUM JMI base \$/troy oz KRUGGERAND, fob \$/troy oz 1.818.00 IRIDIUM, whs rot, \$/troy oz 4,690.00 RHODIUM, whs rot, \$/troy oz 4,090.00 GRAINS (September 28, 2023) (FOB Bangkok basis at every Thursday)

FRAGRANT (100%) 1st Class, \$/ton FRAGRANT (100%) 2nd Class, \$/ton 870.00 RICE (5%) White Thai-\$/ton 606.00 RICE (10%) White Thai-\$/ton RICE (15%) White Thai-\$/ton 591.00 RICE (25%) White Thai- \$/ton (Super) 591.00 BROKER RICE A-1 Super \$/ton 469.00

FOOD COCOA ICCO Dly (SDR/mt) 2,712.58 COCOA ICCO \$/mt 3,555.54 COFFEE ICA comp '2001 cts/lb 149.79 SUGAR ISA FOB Daily Price, Carib. port cts/lb 25.27 SUGAR ISA 15-day ave.

LIFFE COFFEE New Robusta 10 MT - \$/ton

	High	Low	Sett	Psett			
Nov.	2,461	2,396	2,410	2,461			
Jan.	2,375	2,325	2,332	2,374			
Mar.	2,317	2,270	2,275	2,315			
May	2,283	2,240	2,245	2,283			
LIEFE COCOA							

LIFFE COCOA (Ldn)-10 MT-£/ton

	nigii	LOW	Jell	racii
Dec.	3,047	2,963	2,978	3,032
Mar.	3,011	2,932	2,947	2,994
May	2,911	2,834	2,850	2,900
July	2,822	2,749	2,763	2,815

MANILA COPRA (based on 6% moisture)

Oct./Nov.'23 Nov./Dec.'23 Dec./Jan.'24 Jan./Feb. '24

LONDON METAL **EXCHANGE**

LME FINAL CLOSING PRICES, US\$/MT

	3 MOS.
ALUMINUM H.G.	2,290.00
ALUMINUM Alloy	1,580.00
COPPER	8,006.50
LEAD	2,118.00
NICKEL	18,728.00
TIN	23,854.00
ZINC	2,502.00

	1 C30/ 100kg		Duyci/ Sciici		
	Lag/Qzn/Luc	23	3,300.00/3,350.00		
	Philippine Coconut Oil - Crude				
	CIF NY/NOLA		53.00		
PALM OIL RAIL/NOLA			.A 56.00		
	COCONUT OIL (PHIL/IDN), \$ per ton,				
	CIF Europe				
	Oct /Nov/27		0.00/1.070.00		

0.00/1,070.00 980.00/1,055.00 1,000.00/1,040.00 0.00/1,050.00

US gold futures settled 0.3% lower at \$1,841.50 per ounce. US job openings unexpectedly increased in August, pointing to tight labor market conditions that could compel the US Federal Reserve to raise interest rates

"The JOLTS report has surprised the market as it raises prospects of another hike but also lowers expectation of a slowdown in the US economy, pressuring precious metals," said Edward Moya, senior market analyst at OANDA.

Gold is considered a hedge against inflation and economic uncertainties. But higher interest rates raise the opportunity cost of holding bullion, which is priced in dollars and does not yield interest.

Gold prices briefly ticked up earlier in the session as the dollar sharply weakened against the yen, just moments after briefly rising above 150 for the first time since October 2022, signalling a possible intervention by the Bank of Japan.

The market focus is now on September nonfarm payrolls data due on Friday.

"We reiterate our 12-month target of \$1,725 per ounce and remain cautious on gold," said Julius Baer analyst Carsten Menke.

Spot silver rose 0.6% to \$21.20 per ounce. Platinum fell 0.7% to \$871.40. Palladium, primarily used by automakers, slipped 1.5% to \$1,183.20, its lowest since late 2018. - Reuters

NYSE ends at lowest since June 1 as data fuel rate fears NEW YORK - The S&P 500 inshort-term rates, and we would dex closed at its lowest level since

June 1 on Tuesday as economic data underscored the view the US Federal Reserve may need to keep interest rates high. The Dow turned negative for

the year for the first time since June and ended at its lowest level since May 31. The Nasdaq also closed at its lowest since May 31. Data showed US job openings

unexpectedly increased in Au-

gust, fueling worries about a tight

labor market ahead of Friday's key US monthly jobs report. Investors continue to closely watch benchmark Treasury yields, which hit 16-year highs on

Tuesday. "The scenario that most investors were assuming is the Fed would need to ultimately cut return to a favorable interest rate environment," said Rick Meckler, partner at Cherry Lane Investments, a family investment office in New Vernon, New Jersey.

"But investors are seeing a different scenario now — higher rates for longer."

Higher borrowing costs are a negative for businesses and con-

All but one S&P 500 sector utilities — were lower on the day, led by declines in consumer discretionary and technology. Growth companies tend to be among the hardest hit by rising yields.

The Dow Jones Industrial Average fell 430.97 points or 1.29% to 33,002.38; the S&P 500 lost 58.94 points or 1.37% at 4,229.45; and the Nasdaq Composite dropped 248.31 points or 1.87% to 13,059.47.

The CBOE volatility index, Wall Street's "fear gauge," hit its highest close since May 24.

Atlanta Fed President Raphael Bostic said there is no urgency for the central bank to raise its policy rate again, but it will likely be "a long time" before rate cuts are appropriate. Cleveland Fed President Loretta Mester said she is open to raising rates again, potentially at the bank's next meeting.

Shares of Amazon.com and Microsoft dropped after Reuters reported British media regulator Ofcom will push for an antitrust investigation into the companies' dominance of the UK cloud computing market.

Investors are getting ready for US companies in the coming weeks to begin reporting on the last quarter, with some hoping the results could provide some positive news again for the market. While the Dow is down 0.4%

for the year, the Nasdaq remains

up about 25% since Dec. 31 after a rally driven by enthusiasm over artificial intelligence. Volume on US exchanges was 11.16 billion shares, compared with the 10.57 billion average for

the full session over the last 20

Declining issues outnumbered advancers on the New York Stock Exchange (NYSE) by a 5.61-to-1 ratio; on Nasdaq, a 3.52-to-1 ratio favored decliners.

trading days.

The S&P 500 posted one new 52-week high and 63 new lows; the Nasdaq Composite recorded 15 new highs and 439 new lows. - **Reuters**