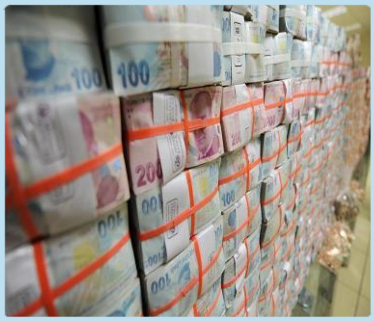
Politics & Economics Bulletin
▸ 20.07.2018

# Turkey's budget posts $11.2 billion deficit in H1

Anadolu Agency, *16.07.2018*



**Turkey's central government budget balance recorded a deficit of some 46 billion Turkish liras ($11.2 billion) in the first half of this year, the Ministry of Treasury and Finance announced on Monday.**

**This January to June, Turkey's budget revenues totaled 353.6 billion Turkish liras ($86.5 billion), up around 18 percent year-on-year, according to official data. In the same period, budget expenditures rose nearly 23 percent to 399.7 billion Turkish liras marking a 46 billion Turkish lira ($11.2 billion) deficit.**

The budget balance, excluding interest payments, saw a deficit of 12.3 billion Turkish liras ($3 billion) in the six-month period. Official figures showed that tax revenues amounted to 294.8 billion Turkish liras ($72.1 billion) while interest payments were 33.8 billion Turkish liras ($8.2 billion) over the same period. In 2017, Turkey's budget deficit/GDP ratio was around 1.5 percent -- below the targets noted in the country's Medium-Term Program (MTP). According to the MTP, the budget deficit/GDP ratio target is 1.9 percent this year, 1.8 percent next year, and 1.6 percent in 2020.

# Turkish private sector's foreign debt down in May

Anadolu Agency, *16.07.2018*

**The Turkish private sector's outstanding loans received from abroad declined in May compared to the previous month, the Turkish Central Bank (CBRT) reported on Monday.**

**Private sector's short-term loans -- excluding trade credits -- amounted to $19.7 billion as of May, down some $500 million from the end of April, the bank said. Official figures showed that long-term loans totaled $222.8 billion as of May, falling nearly $2.5 billion month-on-month. The CBRT noted that short-term loans recorded an increase of $1.6 billion.**

"As for the sectoral breakdown by the end of May, of the total long-term loans in the amount of $222.8 billion, 50.8 percent consists of liabilities of the financial institutions, whereas 49.2 percent consists of the liabilities of the non-financial institutions," it said. "In the same period, of the total short-term loans in the amount of $19.7 billion, 75.4 percent consists of liabilities of the financial institutions, whereas 24.6 percent consists of liabilities of the non-financial institutions," the CBRT added. Pointing at the currency composition, the bank stated that 60 percent of the long-term loans consists of U.S. dollar, 34 percent of euro, 4.3 percent consists of Turkish lira and 1.7 percent of other currencies. "Private sector's total outstanding loans received from abroad based on a remaining maturity basis point out to principal repayments in the amount of $69.5 billion for the next 12 months by the end of May," the CBRT noted.

# Turkey's unemployment rate falls to 9.6 pct in April

Anadolu Agency, *16.07.2018*

**Turkey's unemployment rate fell to 9.6 percent in April, dropping 0.9 percentage points year-on-year.**

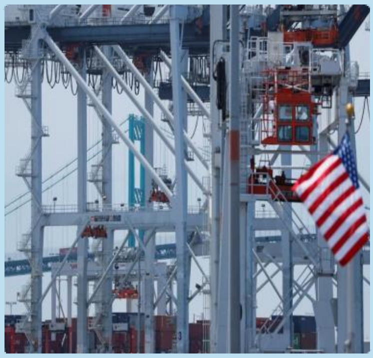
**Unemployed persons aged 15 years and over declined by some 200,000 on a yearly basis, amounting to 3.08 million in April. "In the same period, non-agricultural unemployment rate occurred as 11.4 percent with one percentage point decrease," the institute said. "While youth unemployment rate, including persons aged 15-24 was 16.9 percent with 2.9 percentage point decrease, the unemployment rate for persons aged 15-64 occurred as 9.8 percent with 0.9 percentage point decrease," it added.**

TurkStat noted that the number of employed people rose by some 850,000 to around 29 million over the same period, taking the employment rate to 47.9 percent with a 0.7-percentage point annual increase. "According to the distribution of employment by sector; 18.3 percent was employed in agriculture, 19.5 percent was in industry, 7.4 percent was in construction and 54.8 percent was in services," it said. The labor force participation rate (LFPR) was 52.2 percent, a 0.3-percentage point annual rise, while the number of people in the labor force totaled nearly 32.1 million -- rising some 650,000. Official figures showed that the LFPR for males was 72.4 percent with a 0.1-percentage point increase and for females was 34 percent with an annual hike of 0.6-percentage point.

TurkStat also reported that the rate of unregistered employment -- people working without social security related to their principal occupation -- was 33.3 percent in April, marking a 0.6-percentage point decrease year-on-year. The institute will release next report on this subject on August 15. Last year, the lowest unemployment rate was seen in May and June with 10.2 percent. Over the past five years, the highest unemployment rate was 13 percent in January 2017, while the lowest was seen in June 2013 with 8.1 percent. As noted in Turkey's medium-term economic program, the government is aiming to reduce annual unemployment rate to 9.6 percent by the end of 2020. The annual rate was 10.9 percent last year.

# Fed report shows tariff concerns rising among business contacts

Reuters, *19.07.2018*



**Manufacturers in every one of the Federal Reserve's 12 districts worried about the impact of tariffs, a Federal Reserve report said on July 18, even as the U.S. economy continued to expand at a moderate to modest pace.**

**The latest snapshot of the health of the economy, derived from the central bank's discussions with business contacts around the country, echoed anecdotes from lawmakers in Congress on July 17-18 of the impact in their districts of tariffs during a two-day hearing with Fed Chairman Jerome Powell.**

"Manufacturers in all districts expressed concern about tariffs and in many districts reported higher prices and supply disruptions that they attributed to the new trade policies," the Fed said in its report. U.S. President Donald Trump so far has imposed or threatened tariffs on $250 billion of Chinese goods and riled key allies by slapping on steel and aluminum tariffs. Powell has said that the Fed has yet to see material change to the economy showing up in data and he repeated this week that the central bank intends to keep raising interest rates gradually as it seeks to keep pace with a strengthening economy but not raise rates so high or so fast that it weakens growth. But a number of districts detailed how the uncertainty over escalating trade disputes between the United States and China, Europe, Canada, Mexico and elsewhere, were already hitting firms to varying degrees. In Boston for example, contacts expressed concern but none had yet to see it feed through into demand or hiring and capital expenditure plans. However, in New York trade uncertainty was "a major concern" while in Philadelphia a machinery manufacturer said the impact of steel tariffs "have been chaotic to its supply chain - disrupting planned orders, increasing prices, and prompting some panic buying."

A number of districts reported higher input costs due to the import tariffs raising prices for fuel, metals and other goods. Economic growth has accelerated this year and unemployment is lower than policymakers believe is sustainable in the longer-run. However, there are few signs yet of a spike in inflation high enough to force the Fed to up the pace of rate rises. The Fed's last three rate hikes have come at a pace of every other meeting, and it projects another two rate rises by year-end following moves in March and June. Elsewhere in the report, the Fed's contacts continued to note tight labor markets and a shortage of skilled workers, but wage increases remained modest to moderate. The price of key inputs rose further and some districts said that they expected pricing pressures to intensify further. The Beige Book was prepared by the Boston Fed with information collected on or before July 9. US official downplays effects of new tariffs Meanwhile, White House trade adviser Peter Navarro told CNBC on July 19 that U.S. President Donald Trump's trade strategy with China, which includes levying new tariffs that have sparked a trade clash, is not as disruptive as many describe.

# EU reaction mixed as Turkey lifts state of emergency

Hurriyet Daily News, *19.07.2018*

**The European Union welcomed Turkey's lifting of the two-year state of emergency on July 19, but voiced fears it could be offset by other restrictive legislative measures.**

**In a statement, the EU reminded President Recep Tayyip Erdoğan's government that "concrete and lasting improvements" on the rule of law were essential for closer ties between Brussels and Ankara, which is in talks to join the bloc. "The end of the state of emergency in place in Turkey since the coup attempt of 2016 is a welcome step," said the European External Action Service, the EU's diplomatic arm.**

"We believe the adoption of new legislative proposals granting extraordinary powers to the authorities and retaining several restrictive elements of the state of emergency would dampen any positive effect of its termination," it added. Erdoğan declared the emergency on July 20, 2016, five days after warplanes bombed Ankara and bloody clashes broke out in Istanbul in a doomed putsch bid that claimed 249 lives. The measure, which normally lasts three months but was extended seven times, ended at 1 a.m. on July 19 after the government decided not to ask for an eighth extension, state-run Anadolu Agency reported. The state of emergency saw the detention of nearly 80,000 people and about double that number sacked from jobs in public institutions. Over 200 media organizations, foundations and schools allegedly linked to terror networks were also shut down in this period in which the Turkish Lira struggled to keep its value against the United States dollar and the euro, falling to record lows.

The biggest purge of Turkey's modern history has targeted alleged supporters of Fethullah Gülen, the U.S.-based preacher blamed for the coup, as well as those who are allegedly supporters or members of the outlawed Kurdistan Workers' Party (PKK), which is also recognized as a terror network by the EU. The EU statement urged Ankara to respect the separation of powers between the executive and the judiciary, Agence France-Presse reported. With the lifting of the state of emergency, it urged Ankara to reverse "all measures that continue to undermine the rule of law, independence of the courts and basic democratic freedoms. "Concrete and lasting improvements in the area of rule of law and fundamental freedoms remain essential to the prospects of EU-Turkey relations," it said. As a result of the mass purge, the EU has frozen opening new "chapters" in Turkey's EU membership process. Negotiations began in 2005 and so far, Turkey has opened just 16 out of 33 chapters.

# EU to curb steel imports after Trump tariffs

Hurriyet Daily News, *19.07.2018*

**The European Union will launch measures on July 19 designed to prevent a surge of steel imports into the bloc following the U.S. imposition of tariffs on incoming steel and aluminum, the EU's official journal said.**

**The European Commission has proposed a combination of a quota and a tariff to counter EU concerns that steel products no longer imported into the United States would instead flood European markets. The measures are the third part of the EU's response to U.S. tariffs. It has also imposed tariffs on 2.8 billion euros of U.S. imports.**

It is including bourbon and motor bikes, and has launched a legal challenge at the World Trade Organization. The quotas for 23 steel product categories have been set at the average of imports over the past three years, with a 25 percent tariff set for volumes exceeding those amounts. These quotas are allocated on a first come first serve basis. The main exporters of steel to the EU are China, India, Russia, South Korea, Turkey and Ukraine. The Commission said that the EU steel industry was "in a fragile situation and vulnerable to a further increase in imports", with U.S. tariffs reducing its capacity to sell there making them even more vulnerable. "In the absence of provisional safeguard measures, it is likely that the situation will develop into actual serious injury in the foreseeable future," the EU official journal said. European Trade Commissioner Cecilia Malmstrom said in a statement that the bloc was faced with no choice given the threat of serious harm to EU steelmakers and workers, but that EU markets would remain open with traditional trade flows. The Commission will continue its investigation, which was launched on March 26, until the end of the year. The provisional safeguards can be in place for up to 200 days.

Imports of 28 products increased by 62 percent from 2013 to 2017, most noticeably in 2016 and with further rises this year. However, for five products, imports did not increase, leading the Commission to exclude them from its measures. For 12 steel product categories, imports from countries including China, Russia and Ukraine are already subject to anti-dumping and anti-subsidy duties. The Commission said it would consider suspending or reducing them to avoid the imposition of “double duties.” EU manufacturers of the products ranging from hot and cold rolled sheets, plates, coated steel and tubes include ArcelorMittal, Voestalpine and Tata Steel.

# EU's trade gap rises to $11.1B in Jan-May

Anadolu Agency, *16.07.2018*

**The EU’s foreign trade balance saw a deficit of €9.1 billion ($11.1 billion) from January to May, according to data released by Eurostat on Monday.**

**The new report on euro area international trade in goods surplus showed that, from January to May, the EU exported €786.6 billion ($960 billion) worth of goods, up 1.5 percent year-on-year, while total imports from the rest of the world stood at €795.7 billion ($971 billion), up 1.6 percent compared to the same period last year. "As a result, the EU28 recorded a deficit of €9.1 bn ($11.1 billion), compared with -€8.1 bn [$8.7 billion] in January-May 2017.**

Intra-EU28 trade rose to €1,457.3 trillion ($1.8 trillion) in January-May 2018, +4.6% compared with January-May 2017," the statistical authority said. The five-month average EUR/USD exchange rate was around 1.22 this year, while €1 was trading for $1.08 on average over the same period last year. The U.S. was the top export market for the EU with exports amounting to €163.1 billion ($199 billion) between January and May. China, Switzerland, Russia and Turkey came after the U.S., according to official data. Turkey’s exports to the EU rose to €37.2 billion ($45.4 billion) from January to May, 10.4 percent up from the same period last year. Over the same period, the bloc imported the most from China -- €151.3 billion ($184.6 billion), or 19 percent of total imports -- followed by the U.S., Russia, Switzerland, and Norway. The 28-member EU bloc recorded the highest surplus with the U.S. -- €54.8 billion ($66.8 billion) -- and the largest deficit with China -- €69 billion ($84.2 billion) -- in the first five months of this year.

# Foreign investment flows in EU down nearly 90 pct

Daily Sabah, *13.07.2018*

**The foreign direct investment (FDI) flows in the EU dropped nearly 90 percent to €37 billion ($41.8 billion) in 2017, compared to €340 billion in 2016, Eurostat said on Friday.**

**According to the preliminary results, the U.S. companies withdrew around €274 billion of net overseas direct investment capital from the EU last year, which generated an overall downward inclination of FDI flows. Similarly, the EU investors pulled out €67 billion of direct investment from the U.S. in the same period, the statistical office of the EU said in a statement.**

Switzerland -- for the second year in a row -- was the EU's main direct investor with over €90 billion ($101.7 billion) of net liabilities in 2017, and €71 billion ($78.8 billion) of direct investments in 2016. It was followed by Japan with €13 billion ($14.7 billion) and Canada with €11 billion ($12.4 billion) direct investments last year. While Switzerland's net liabilities were incurred by resident direct investment enterprises, the direct investors in the EU provided €61 billion ($68.9 billion) FDI capital to Switzerland -- the most of the EU's FDI net acquisitions made abroad last year. The flow of FDI from the EU to areas outside the union dropped by 52.2 percent in 2017 year-on-year, reaching €120 billion ($135.6 billion), versus €250 billion ($277.5 billion) in 2016. Last year, the EU firms cut some €7 billion ($7.9 billion) investment into Russia, compared with €430 million ($477 million) decline in 2016.

# Fed's banking supervisor backs new interest rate benchmark

CNBC, *20.07.2018*

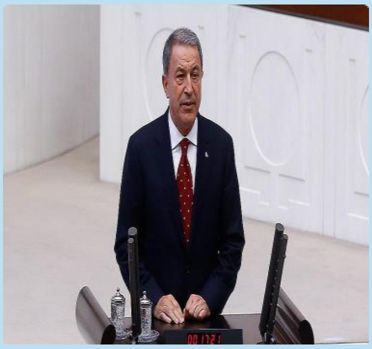

**The Federal Reserve's banking supervisor gave his backing Thursday to a new interest rate benchmark for institutions to use when lending to each other.**

**Fed Governor Randal Quarles, vice chairman for supervision, said banks can use the central bank's Secured Overnight Financing Rate as an alternative to the London Interbank Offered Rate, or Libor, a benchmark that has come under scrutiny due to multiple issues of fraud. "It is important that we find ways to make it as easy as possible to use SOFR because the risks to Libor are, at this stage, quite considerable".**

In furtherance of providing a Libor alternative, Quarles said the Fed could publish an SOFR average that banks could use. He said some have suggested calling the average the secured average financing rate, or SAFR, an apparent indication that the new indicator is more secure than Libor.Along with the fraud issues, there have been concerns about the low level of trading that underpins Libor, raising liquidity questions that SOFR does not have. SOFR indicates the cost of borrowing overnight by using trading data across financial marketplaces. Quarles said the Libor market has become "extraordinarily thin." "On most days, the banks that submit to Libor have been forced to rely on their own judgement and models in submitting to Libor rather than actual transactions. Many of them have become justifiably uncomfortable with a system that pins hundreds of trillions of dollars' worth of financial contracts to that type of judgement call," he said. The current SOFR is 1.9 percent, while Libor is at 1.91 percent.

# The trade war is complicating China's efforts to fix its economy

Reuters, *18.07.2018*



**The trade war with the U.S. couldn't have come at a worse timing for China, which had just begun focusing "in earnest" on fixing problems with its economy, J.P. Morgan said.**

**Many analysts have suggested that the impact of the Washington-Beijing trade skirmish will be relatively muted on the Chinese economy, noting that exports to the U.S. do not hold a commanding presence in China's economic portfolio. But that line of thinking does not take into account how tariffs will affect business sentiment, investment and growth in China, the J.P. Morgan analysts wrote in a note.**

Those indirect effects could lead to "large" collateral damage, they said. On July 6, U.S. President Donald Trump's administration officially instituted 25 percent duties on $34 billion worth of Chinese goods. China, for its part, responded by implementing retaliatory tariffs on the U.S. shortly afterward. The following week, the U.S. released a list of Chinese goods with an annual trade value of about $200 billion that may be subjected to 10 percent tariffs. "All this puts China in a very difficult position. Not only because much of the tariff and non-tariff measures are directed towards it, but the timing couldn't have been worse," the note said.

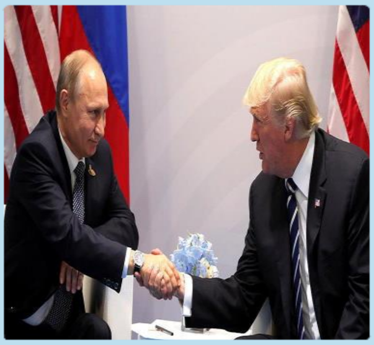
"After years of handwringing and navel gazing, China finally began to focus in earnest on curbing credit growth — its Achilles's heel — from around mid-2017." China's banks extended a record 12.65 trillion yuan ($1.88 trillion) in loans in 2016 as the government encouraged credit-fueled stimulus to meet its economic growth target. The credit explosion stoked worries about financial risks from a rapid build-up in debt, which authorities in 2017 pledged to contain. Both China's monetary and fiscal policies have been kept on a tight leash so far this year, and deleveraging — the process of reducing debt — has been hastened through tighter regulations, the analysts noted. However, this stance has run into headwinds in recent months, the analysts said. "The rise in US-China trade tensions have raised concerns about the strength of external and domestic demand in (the second half of 2018) via direct and indirect effects on services such as logistics, wholesale trade, and trade finance, as well as on business sentiment and investment," the analysts wrote. With business demand being potentially hit, the right way for China to respond to the trade war is for it to ease its monetary policy or to enact fiscal measures, they suggested. "Under the circumstances, easing monetary conditions to support demand and allowing the currency to absorb the shock of the trade war are the right policy choices." The depreciation of the yuan would offset the loss in export competitiveness for Chinese exporters due to higher tariffs, meaning that Chinese goods will essentially be cheaper to Americans.

However, the analysts warned that easing monetary policy too aggressively could also "raise doubts about the commitment of the authorities" to reduce debt. China's dilemma: Beijing is seeking to implement relatively tight monetary policy to force financial deleveraging, but it also needs easier monetary conditions to support growth. "Over the last 15 years, whenever credit growth has risen more than warranted it has fueled concerns over financial stability and that has seeped into depreciation pressures on the currency," the note said. "Consequently, the current monetary policy stance will need to be carefully balanced." Given the limits to using monetary policy, fiscal measures to support exporters or boost domestic demand could also be used, the note suggested.

That could include increasing tax rebates — known as the value-added tax credit rate — to exporters in China which would raise their income by between 3.5 percent and 4 percent. "Relying more on fiscal policy to support domestic demand and defray the costs of the trade war is the wiser choice ... Lessening the burden on monetary policy will also lighten the pressures on the currency," the analysts said. They added, however, that the government could be held back by fears that easing caps on government spending could again build up debt.

# Trump-Putin summit begins in Helsinki

Anadolu Agency, *16.07.2018*



**U.S. President Donald Trump and his Russian counterpart Vladimir Putin on Monday opened summit in Helsinki.**

**At the beginning of the meeting, Putin offered "to discuss sore points" in bilateral relations. "It's time to thoroughly talk about our bilateral relations and different sore points [...]", Putin said while greeting Donald Trump. Trump agreed that the two leaders have a lot to talk about -- including trade, military, nuclear and missile issues and relations with China. "Frankly, we have not been getting along very well for the last number of years"Trump said.**

"The world wants to see us get along," he added. The sides reserved three hours for the tete-a-tete talks, which will be followed by the lunch and a news conference where Putin and Trump will answer four questions -- two from each Russian and American sides. The two presidents will discuss Russian-U.S. relations and their further development, as well as current international matters, according to the Kremlin statement, released ahead of the meeting. On the sidelines of the presidential meeting, Russian Foreign Minister Sergey Lavrov and the U.S. Secretary of State Mike Pompeo will hold their first personal meeting.

# Biggest threat to markets and economy is a Democrat win in November, Trump advisor Hassett says

CNBC, *20.07.2018*

**The main thing that could derail markets and the economy would be a Democrat takeover of Congress, White House economic advisor Kevin Hassett said Thursday.**

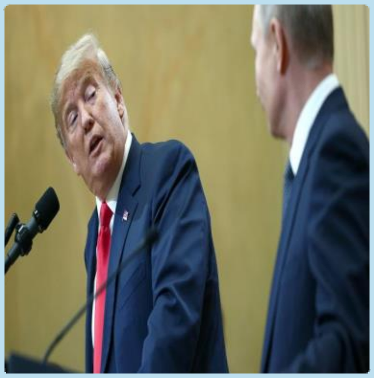
**With GDP expected to grow about 4 percent in the second quarter and stocks onAdvisers, said politics are the main threat to the current momentum. Midterm elections are coming in November, with control of the House and Senate on the table as President Donald Trump looks to continue pushing his agenda forward. "I could think of a lot of bad things that could hurt markets,"**

Hassett told CNBC's Joe Kernan in a "Squawk Box" interview. "I would say the biggest bad things I could think about is we've made so much progress passing all these policies like tax reform and deregulation that have led to a surge in sentiment and a surge in economic growth." "If politics were to change in the U.S. so that Democrats would come in and pass big tax hikes and re-regulate, that would be terrible and markets would be terrified of that," he added. The S&P 500 gained 20 percent during the first year of Trump's term in 2017 and is up another 5.3 percent in 2018. GDP rose 2.3 percent last year and is projected to accelerate close to 3 percent this year.

The gains come amid aggressive tax cuts, deregulation and spending increases that are part of Trump's efforts to ignite the economy after years of slow growth following the Great Recession. Carlyle Group founder David Rubenstein, a former aide to President Jimmy Carter, acknowledged during the Delivering Alpha conference Wednesday that the economic improvements cast doubt on whether the Democrats can wrest control of Congress come November. There have been concerns from both Democrats and Republicans that Trump's decision to play hardball with both allies and adversaries when it comes to trade might derail the economic momentum. Hassett said he's not worried about that. "I believe the president when he says that, yes, he's going to use the leverage that he has to make better deals," Hassett said. "I think the president is serious that if people continue to treat us unfairly, then he's going to be tough on them."

# Trump: I'll be Vladimir Putin's 'worst enemy' if US-Russia relationship 'doesn't work out'

CNBC, *19.07.2018*



**President Donald Trump vowed Thursday that if his dealings with Russian leader Vladimir Putin don't "work out, I'll be the worst enemy he's ever had."**

**Trump made the statement during an interview, Joe Kernen that will air in full Friday at 6 a.m. ET on "Squawk Box." In the same interview, Trump blasted his predecessor, President Barack Obama, for having been a "total patsy" for Russia while claiming he has been "far tougher on Russia than any president in many, many years." "Maybe ever," Trump added. But Trump also said he valued the opportunity to improve the United States' relationship to Russia.**

Even after American intelligence agencies have said that Russia repeatedly tried to interfere in the 2016 U.S. presidential election. ""Getting along with President Putin, getting along with Russia, is positive, not a negative," Trump said. Later Thursday, White House press secretary Sarah Huckabee Sanders tweeted that Trump asked National Security Advisor John Bolton to invite Putin to Washington in the fall. The president's comments came three days after he met with Putin in Helsinki, where his comments at a joint press conference with the Russian strongman drew widespread criticism both from Democrats and from his fellow Republicans.

Under questioning from reporters, Trump refused to criticize Putin for the election meddling, and suggested that it was an open question as to whether the former KGB spy Putin's denials of such hostile action were as credible as the findings by American intelligence services. The president's interview with CNBC also came on the heels of a New York Times report that said Trump, two weeks before his inauguration in January 2017, had been shown extensive evidence that Putin personally ordered interference in the 2016 U.S. elections. In his interview Thursday, Trump ticked off several actions that he said rebut any argument that he is under Putin's thumb. Those actions include his urging German leader Angela Merkel last week to withdraw support for a new gas pipeline that would bring gas from Russia to Germany across the Baltic Sea. Trump had called Germany "a captive of Russia" because its reliance on Russian energy sources. "I said, wait a minute, we're supposed to be protecting you from Russia and you're paying them billions of dollars. What's that all about?," Trump told CNBC on Thursday.

"Now, you think that's a positive for Russia? I'm talking them [Germany] out of things that they [Russia] were given billions of dollars. It's ridiculous, by the way, that that's happening," the president added. Trump also urged people to "look at the sanctions I put on" Russia," referring to several different sets of financial sanctions imposed by his administration on Russian oligarchs, companies and government officials. "Look at the diplomats I threw out," Trump added, referring to the U.S.'s expulsion in March of 60 Russian diplomats who had been identified as intelligence officials after the poisoning of an ex-Russian spy in Britain. "Look at all the things that I have done," the president said. In April, The Washington Post, citing a senior administration official, reported that Trump was angry over the number of diplomats that were expelled in March. Trump then turned his ire toward Obama's Russia policies. "Obama didn’t do it," Trump said, comparing his efforts to his predecessor's. "Obama was a patsy for Russia. A total patsy."

Despite those claims, under Obama, the U.S. issued several sanctions against Russia following its annexation of Crimea in 2014. Obama and other international allies also booted Russia from the G-8 that year to retaliate against Putin for the Crimea crisis. Trump on Thursday then mentioned an incident in March 2012, when Obama, apparently unaware that his words were being caught by a live microphone, told then-Russian President Dmitri Medvedev that Obama would "have more flexibility" after the American presidential election in November 2012 to negotiate with Russia's incoming president, Putin, on the issue of missile defense. "Look at the statement he made. He thought the mics were turned off okay, the stupid statement he made," Trump said. "No one makes a big deal of that." Trump then added: "Getting along with President Putin getting along with Russia is positive not a negative. Now, with that being said if that doesn’t work out I'll be the worst enemy he's ever had – the worst he's ever had."

# Announcements & Reports

### ► *Annual Review 2017-18*

**Source** : Chatham House
**Weblink** : https://www.chathamhouse.org/publication/annual-review-2017-18

### ►*Back from the Brink: A Threatened Nuclear Energy Industry Compromises National Security*

**Source** : CSIS
**Weblink** : https://www.csis.org/analysis/back-brink-threatened-nuclear-energy-industry-compromises-national-security

### ► *Issues & Insights - The Road Ahead for Nuclear Governance in the Indo-Asia-Pacific*

**Source** : CSIS
**Weblink** : https://www.csis.org/analysis/issues-insights-vol-18-cr6-road-ahead-nuclear-governance-indo-asia-pacific

# Upcoming Events

### ► *Fighting Financial Crime 2018*

**Date** : 10 September 2018
**Place** : London
**Website** : https://www.chathamhouse.org/conferences/fighting-financial-crime-2018

### ► *Digitalization in the Industrial Sector: Implications for Energy, Technology, and Policy*

**Date** : 18 July 2018
**Place** : CSIS Headquarter
**Website** : https://www.csis.org/events/digitalization-industrial-sector-implications-energy-technology-and-policy

## ► *Illicit Financial Flows 2018*

**Date** : 01 October 2018
**Place** : London
**Website** : https://www.chathamhouse.org/conferences/illicit-financial-flows-2018

## ► *Climate Change 2018*

**Date** : 15 October 2018
**Place** : London
**Website** : https://www.chathamhouse.org/conferences/climate-change-2018

## ► *Global Trade 2018*

**Date** : 01 November 2018
**Place** : London
**Website** : https://www.chathamhouse.org/conferences/global-trade-2018

## ► *The Future of London as a Financial Centre*

**Date** : 12 November 2018
**Place** : London
**Website** : https://www.chathamhouse.org/conferences/future-london-financial-centre