

Turkish, US presidents to speak over phone

Anadolu Agency, 24.01.2018



President Recep Tayyip Erdoğan and his counterpart United States President Donald Trump will speak over the phone on Jan. 24, according to Turkish Foreign Minister Mevlüt Çavuşoğlu.

“Tomorrow, the two presidents will speak over the phone,” Çavuşoğlu told reporters on Jan. 22 in the French capital Paris. Çavuşoğlu’s remarks came after a meeting with U.S. Secretary of State Rex Tillerson on the sidelines of the launch of the International Partnership against Impunity for the Use of Chemical Weapons hosted by the French Foreign Ministry.

He said Trump wished to make the phone call. “The time has also been finalized,” Çavuşoğlu added, without providing further details. The White House later said it expects de-escalation vis-a-vis the northwestern Syrian city of Afrin to be on the agenda during call. “We want them to de-escalate. I think you can expect that to be part of the conversation. But I’m not going to get ahead of their call. And we’ll have a readout after that takes place,” spokeswoman Sarah Huckabee Sanders told reporters. Çavuşoğlu said he had discussed bilateral issues with Tillerson, particularly regarding Syria, during their meeting.

Turkey’s top diplomat also gave details of his conversation with British Foreign Secretary Boris Johnson, saying Johnson also supported the Turkish Armed Forces’ operation in Afrin. “Everyone is touching upon the humanitarian aspect of the operation. No country is more sensitive to this issue than Turkey,” Çavuşoğlu said. “We have already delivered humanitarian aid to the local people. We have built two camps; these two camps right now consist of 4,000 people,” he said. “We will build more. We have also provided healthcare services. The local people are glad about this. Because we only target terrorists,” said the foreign minister. Turkey launched “Operation Olive Branch” on Jan. 20 to remove Syrian Kurdish People’s Protection Units (YPG) terrorists from Afrin.

Turkey's UN envoy tells of Afrin operation at UN meeting

Anadolu Agency, 18.01.2018



Turkey's envoy to the U.N. on Thursday addressed a UN Security Council meeting and talked about Turkey's Operation Olive Branch in Afrin, Syria

Feridun Sinirlioglu addressed a U.N. Security Council meeting during which the latest developments in the Middle East were discussed as Turkey holds the term presidency of the Organization of Islamic Cooperation. "The operation is aimed at ensuring border security against the infiltration of Daesh and PKK/PYD/YPG attacks, neutralizing the terrorists in Afrin and rescuing civilians from terror," Sinirlioglu said.

On Saturday, Turkey launched Operation Olive Branch to clear PYD/PKK and Daesh terrorists from Afrin, northwestern Syria. According to the military, the operation aims to establish security and stability along the Turkish borders and the region as well as protect Syrians from terrorist oppression and cruelty. The operation is being carried out under the framework of Turkey's rights based on international law, UN Security Council resolutions, its self-defense rights under the UN charter, and respect for Syria's territorial integrity, it said.

The military has also said it is putting the "utmost importance" on not harming any civilians. Afrin has been a major hideout for the PYD/PKK since July 2012, when the Assad regime in Syria left the city to the terror group without putting up a fight.

Turkey's organic food exports up 17 percent in 2017

Anadolu Agency, 23.01.2018



Turkey's organic food exports rose 17 percent year-on-year in 2017, according to Aegean Dried Fruit and Products Exporters' Association (EKM D) head Birol Celep.

The country earned \$87 million last year in revenue from organic food exports to 68 countries, Celep said in a statement on Jan. 23. Celep said the exports also rose by 10 percent on a weight basis compared to the previous year, hitting 21,000 tons. "Turkey exports raisins, dried figs, nuts and dried apricots the most. The actual export volume of organic food is at least fivefold the amount on record,"

Celep said, adding the difference stemmed from the improper filing of export declarations. "The numbers appear lower since the products are not properly labelled as organic in export declarations," he said. Celep added that the largest organic food importer from Turkey was Germany, followed by the United States and France.

Turkey, Russia 'closely collaborating' in Syria

Anadolu Agency, 24.01.2018



Ankara and Moscow are "closely collaborating" in Syria as Turkey's Operation Olive Branch in Afrin continues, Russia's Ambassador to Turkey Alexei Yerkhov said.

"Russia and Turkey, we are closely collaborating now in the Syrian file," Yerkhov told a seminar titled "Diplomacy and Peace," organized by a university in Turkish capital Ankara. "We have achieved quite a lot. We have started what we have called Astana process and within this Astana summit we have achieved the creation of four de-escalation zones," the Russian envoy said.

“Now together with Turkey, together with Iran we are preparing a new step. We are preparing the conference on a national dialog in Syria which is going to take place in Sochi next week,” Yerkhov added. The Syrian National Dialogue Congress set for Jan. 28-29 is set to be held in the Russian city of Sochi. It is expected to be attended by all sectors of Syrian society except for terror groups as it is prescribed by UN resolution 2254 that stands for the inclusive character of the inter-Syrian dialogue. “If we go forward [...] I hope very much there will be much more peace in the land of Syria,” Yerkhov said. Turkey on Saturday launched Operation Olive Branch to clear PYD/PKK and Daesh terrorists from Afrin, northwestern Syria. According to the military, the operation aims to establish security and stability along Turkish borders and the region as well as protect Syrians from terrorist oppression and cruelty.

The operation is being carried out under the framework of Turkey’s rights based on international law, UN Security Council resolutions, its self-defense rights under the UN charter, and respect for Syria’s territorial integrity, it said. The military has also said that only terrorist targets are being destroyed and “utmost importance” is being put on not harming any civilians. Afrin has been a major hideout for the PYD/PKK since July 2012, when the Assad regime in Syria left the city to the terror group without putting up a fight.

Turkey’s benchmark stock index hits 120,000 points

Anadolu Agency, 25.01.2018



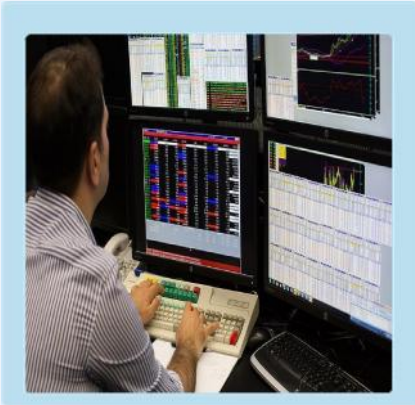
Turkey’s benchmark stock index has continued its upward trend during the afternoon session on Jan. 25, climbing over 120,000 points for the first time.

Borsa Istanbul’s BIST 100 index saw 120,320.47 points as of 3.10 p.m. local time (1210GMT), while the U.S. dollar/Turkish lira exchange rate hovered below 3.75. On the morning of Jan. 25, the BIST 100 opened at 119,677.05 points, following its highest-ever close of 119,648.37 points Wednesday. The index closed last year at 115,333.01 points on Dec. 29, 2017, and recorded a 48.3 percent annual rise compared with a close of 77,754.46 points on Jan. 2, 2017.

Since the beginning of this year, the BIST 100 has risen over 2 percent, compared with 117,524.20 points on Jan. 2, 2018.

Sectoral confidence improves across Turkey in January

Anadolu Agency, 16.01.2018



Confidence in Turkey's services, retail trade and construction sectors improved in January compared to the previous month, the Turkish Statistical Institute (TÜ K) announced.

Construction sector confidence index rose by 6.7 percent to 87 points in January from 81.6 in December 2017. The surge "stemmed from the increased numbers of managers evaluating 'current overall order books' as above normal for the season and expecting an increase in 'total employment' over the next three months," TÜ K stated. The services sector index increased 6 percent to 102 in the month from 96.2 in December 2017, according to TÜ K.

As more managers saw the business situation and demand (turnover) increase over the past three months along with an expected improvement in demand (turnover) compared to previous months. The retail trade confidence index was also up 6 percent month-on-month to reach 106.2 points in January. "This upswing in the retail trade confidence index resulted from the increased number of managers evaluating improved 'business activity-sales' over the past three months, 'current volume of stock' as below normal for the season, and an expected improvement in 'business activity-sales' over the next three months," TÜ K stated.

The figures come after TÜ K reported on Jan. 23 that consumer confidence in the Turkish economy also rose in January. The consumer confidence index jumped 11.1 percent in January, to 72.3 points, from 65.1 in the previous month, according to the report. Official data showed that the downward trend in consumer confidence that started in August 2017 ceased in January 2018. Turkey's overall economic confidence index is set to be announced by TÜ K on Jan. 30.

Turkey, Austria look to normalize relations

Anadolu Agency, 26.01.2018



Turkish Foreign Minister Mevlut Cavusoglu said on Thursday that Turkey and Austria looked to normalize relations after months of tensions between Ankara and Vienna.

Speaking at a joint news conference with his Austrian counterpart Karin Kneissl, Cavusoglu said: “We’ve agreed to normalize our relations.” “It will be more beneficial to speak [to each other] directly, stop communicating through the press,” he added. Kneissl said: “We know we have some disagreements between each other. This is not a secret [...] but we think that there are many subjects.

It is between Vienna and Ankara that we can negotiate. This was the main reason for coming here.” Ties between the two countries soured in 2016, due to restrictions imposed by Austrian authorities on Turkish politicians who wanted to campaign in the country ahead of a key referendum in Turkey. The campaigns were to take place targeting Turkish nationals living in Austria. Ankara had also sharply criticized the Austrian government for what it considered to be illiberal integration policies, its populist rhetoric, and failure to take a strong stance against growing racism and Islamophobia.

Regarding Operation Olive Branch, the Austrian minister said: “I told [Cavusoglu] that we have been following the developments here [in Afrin] with concern [...]. I can say that we have agreed that all the subjects here [in Afrin] could be resolved actually through negotiation. We said that political decisions should be taken here.” On Saturday, Turkey launched Operation Olive Branch to remove PYD/PKK and Daesh terrorists from Afrin. According to the Turkish General Staff, the operation aims to establish security and stability along Turkish borders and the region as well as to protect the Syrian people from the oppression and cruelty of terrorists.

In response to a question over the U.S. proposal to set up a 30-kilometer (approx. 19 miles) safe zone in Syria’s northwestern Afrin region, Cavusoglu said: “We need to establish trust first with the U.S. in order to [...] talk about [establishing] a safe zone [in Syria] or a serious subject.” According to a diplomatic source on Wednesday, Cavusoglu said his U.S. counterpart had proposed a 30-kilometer safe zone in Syria’s northwestern Afrin region. On the sidelines of a foreign ministers’ meeting, which was held in Paris on Tuesday, Cavusoglu met U.S. Secretary of State Rex Tillerson. The Afrin issue topped the agenda in the meeting, said the source, who asked not to be named due to restrictions on speaking to the media.

Tillerson told Cavusoglu that the proposed 30-km safe zone would address Turkey's security concerns, the source added. During Thursday's news conference, Cavusoglu said one of the reasons behind why Turkey's trust in the U.S. was lacking had to do with the arms provided to YPG/PKK. "Mr. Trump said the U.S. is not giving arms to YPG from now on, during yesterday's phone conversation [with Erdogan]. We also need to see all of these [promises] practically." Cavusoglu also addressed Turkey's EU bid, saying: "The EU does not need to waste our time anymore. We cannot wait for 60 more years."

Turkey had applied for the EU membership in 1987 and accession talks began in 2005. However, negotiations stalled in 2007 due to the objections of the Greek Cypriot administration in the divided island of Cyprus, as well as opposition from Germany and France. To gain membership, Turkey has to successfully conclude negotiations on 35 policy chapters that involve reforms and the adoption of European standards. As of May 2016, 16 chapters had been opened and one concluded. However, in December 2016, the member states said no new chapters will be opened. Since then, the country has held many negotiations with the bloc officials, insisting that Turkey wants to open Chapter 23 on the judiciary and fundamental rights and Chapter 24 on justice, freedom, and security.

Bank of America CEO: People with this skill will be successful in the future job market

CNBC, 24.01.2018



In a world and market where the only constant is change, there's one skill that you will need to get an edge in the coming decades, says Bank of America CEO Brian Moynihan.

"The ability of people to be successful in the future job market is going to come down to the ability to absorb tremendous amounts of information," Moynihan tells CNBC Make It at the World Economic Forum in Davos, Switzerland, this week. You'll not only need to take in massive amounts of data, you'll need "to be able to process it and think through it and intellectually assess it" to determine what's important.

Of course, finding the signal in the noise is only half the battle. To be truly successful, you'll have to then incite your teammates and customers to take action on it, says Moynihan. "It's that last piece that a lot of people often miss," he adds. "The smartest answer doesn't do you any good unless you get your teammates to actually do it or you get your customers to respond to it." This is a lesson Moynihan takes to heart as a leader of more than 200,000 employees and a company with a market cap of over \$300 billion.

“I think the habit of being a voracious reader and absorber of information is what I attribute to helping me every day,” he says. “And learning from smart people, who are much smarter and more capable than I am.” On his reading list are lots of newspapers, some historical books to learn mistakes of the past, and once in awhile novels for fun. “I just read one called ‘Exit West’ [by Mohsin Hamid] on migration,” he says. “It gives you a sense of what it would feel like to do that. And those are important to read.” Business books can be a good resource, though “by the time things get written in business books, sometimes they’re a little bit stale,” he notes. The important thing is just to take in as much knowledge as you can and work to decipher it and apply it. “Always keep learning, keep reading, keep researching, keep trying things out. Never stop learning,” Moynihan says. “When you go through college you learn so much. After that you’ll start to deteriorate if you don’t keep current. So read and absorb information.”

EU removes Panama, seven others from tax haven blacklist

Agence France, 23.01.2018



The European Union on Jan. 23 removed eight countries including Panama and South Korea from its new tax haven blacklist after they pledged to address their concerns, the bloc said.

The United Arab Emirates, Tunisia, Mongolia, Macau, Grenada and Barbados were also lifted from the list by finance ministers, in a move that comes just weeks after the bloc unveiled its original list of 17 non-EU nations. The decision has drawn criticism from activists who say the EU’s commitment to tackle tax avoidance after the “Panama Papers” leak last year has now been watered down.

“Eight jurisdictions have been removed from the EU’s list of non-cooperative jurisdictions for tax purposes, following commitments made at a high political level to remedy EU concerns,” an EU statement said. The eight countries will now be on a “grey list” of countries that have made unspecified commitments to the EU on reforming their tax laws. The blacklist now covers just nine jurisdictions: American Samoa, Bahrain, Guam, Marshall Islands, Namibia, Palau, Saint Lucia, Samoa and Trinidad and Tobago. Ministers agreed that “delisting was justified in the light of an expert assessment of the commitments made by these jurisdictions to address deficiencies identified by the EU,” the statement said.

“In each case, the commitments were backed by letters signed at a high political level.” The lists came a year on from the leak of the “Panama Papers” -- a massive amount of data from a prominent Panamanian law firm showing how the world’s wealthy stash assets. The EU originally screened a total of 92 countries to draw up the list, which is expected to be continuously updated.

China, South Korea hit out at new US trade tariffs

Agence France, 23.01.2018



China and South Korea on Jan. 23 hit out at a U.S. decision to impose stinging tariffs on imported solar panels and washing machines, which marked the latest salvo in Donald Trump's "America First" drive.

The U.S. president approved the steep tariffs up to 50 percent on large washing machines over three years and up to 30 percent on solar panels over four years to protect U.S. producers, U.S. trade officials said. But South Korea, which signed a free-trade agreement with former President George W. Bush, immediately said it would file a petition against U.S.

The country's Trade Minister Kim Hyun-chong said the tariffs were "excessive" and may constitute a "violation of WTO provisions." Samsung, South Korea's biggest firm, said the tariffs were "a tax on every consumer who wants to buy a washing machine." In Beijing the commerce ministry warned that "together with other WTO members, China will resolutely defend its legitimate interests", though it did not indicate any specific counteraction. The U.S. moves "not only aroused the concern of many trading partners but was also strongly opposed by many local governments and downstream enterprises in the U.S.", the ministry said in statement attributed to Wang Hejun, the director of the trade remedy and investigation bureau.

Beijing "expresses its strong dissatisfaction," Wang said. China is the United States' biggest trade partner nation but Trump has often hit out at what he calls unfair practices by Beijing, accusing it of killing US jobs. While running for office, Trump threatened to pull out of the WTO and his hostility to the world trade body has not let up while in office. Last week, the Geneva-based body sided with Beijing in setting a firm date this summer for Washington to implement a ruling faulting the US's anti-dumping measures against Chinese products. The U.S. had previously lost a case with China on how it calculates the price of imports to determine predatory pricing, and said in June 2017 that it would implement the panel's recommendations within a "reasonable" timeframe. The WTO arbitrator gave Washington until August 22 to implement the ruling.

Globalization is losing its luster, India's Modi tells Davos summit

Reuters, 12.01.2018



Protectionism is gaining ground and globalization is losing its appeal, but India is open for business, Indian Prime Minister Narendra Modi told the World Economic Forum.

Modi is leading a big government and business delegation to the summit in Davos, the first Indian prime minister do so in 21 years, aiming to showcase India as a fast-growing economic power and a potential driver of global growth. His comments on rising trade barriers came ahead of an address to the forum later this week by U.S. President Donald Trump, who has championed inward looking policies for the world's biggest economy.

"Instead of globalization, the power of protectionism is putting its head up. Their wish is not only to save themselves from globalization, but to change the natural flow of globalization," Modi said at the opening of the forum, which has attracted 70 heads of state and government, chief executives and top bankers. "The result of this is that we are seeing new types of tariff and non-tariff-based barriers being imposed. Bilateral and multilateral trade negotiations appear to have come to a halt. "There is a slowdown in cross-border financial investments and the expansion of (the) global supply chain appears to have slowed down."

Trump has been pushing an "America First" policy of getting businesses to invest in the United States instead of overseas, potentially affecting the growth prospects of emerging economies such as India dependent on foreign investment. During his 2016 election campaign, Trump blamed globalization for ravaging U.S. manufacturing jobs as companies sought to reduce labor costs by relocating to Mexico and elsewhere. Trump is due to address the forum on Jan. 25. Modi said climate change was a major threat to the world, yet the world had failed to come together to tackle it. He said everyone wanted carbon emissions to be cut, but the rich world was not ready to help developing economies with new technology.

India, one of the world's fastest growing major economies and a growing contributor to pollution, has said it is keen to honor its commitment to clean up the environment despite Trump pulling out of the Paris accord on cutting carbon emissions.

NAFTA risk creates trade uncertainty for Canada: Fitch

Hurriyet Daily News, 26.01.2018



Risks surrounding the survival of the North American Free Trade Agreement (NAFTA) are creating trade and economic uncertainties for Canada, Fitch Ratings warned in a statement.

“Risks have arisen that NAFTA negotiations may result in an unfavorable economic outcome for Canada,” the global rating agency said. “... Fitch believes the overall impact of a NAFTA abrogation on Canada would prove a manageable economic shock,” it added. Defining NAFTA as the “worst trade deal ever” for his country.

The U.S. President Donald Trump claimed last year that the agreement is “unfair” for the U.S.’ trade relations, and said it should be renegotiated. Representatives from the U.S., Canada and Mexico gathered at the beginning of this week in Montreal, Canada for the sixth time for NAFTA negotiations. “Failure to make progress at the latest (penultimate) round of NAFTA negotiations that began in Montreal this week could mean higher risks of a U.S. withdrawal,” Fitch said.

It added that previous talks exposed disagreements between the two countries over NAFTA’s trade dispute resolution mechanism and other areas. Fitch noted that the U.S. has recently imposed tariffs up to 10 percent on Canadian exports such as steel, lumber and other manufactured goods. In return, Canada has filed a formal complaint to the World Trade Organization (WTO) about the U.S.’ trade actions dating as far back as 1996, according to Fitch. However, as national elections loom for Mexico in July and mid-term elections approach for the U.S. Congress this November, it could become harder to reach a deal in NAFTA, Fitch said. “In the meantime, NAFTA risks are a key uncertainty for Canada’s economic outlook and are tempering a positive trend in investment intentions,” the agency said. “Any party can declare its intention to leave NAFTA with six months’ notice, but such a decision would likely lead to protracted uncertainty over the bilateral economic relationship,” it added.

US dollar drops after Mnuchin backs weaker greenback

Anadolu Agency, 25.01.2018



The dollar sank to a three-year low Wednesday after Treasury Secretary Steven Mnuchin said a weaker U.S. currency would boost U.S. trade.

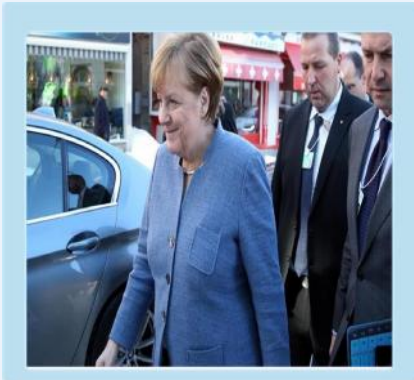
Mnuchin made the comment during a press conference at the World Economic Forum in Davos, Switzerland. “Obviously, a weaker dollar is good for us as it relates to trade and opportunities,” Mnuchin said. He said the White House was not focused at all on the short-term value of the dollar. As the dollar dropped, currencies like the British pound, Japanese yen and the euro rose.

“Longer term, the strength of the dollar is a reflection of the strength of the U.S. economy and the fact that it is and will continue to be the primary currency in terms of the reserve currency,” he added. According to the ICE U.S. Dollar Index which weighs the U.S. dollar against other global currencies, the dollar fell below the 90 mark for the first time since the end of 2014. The dollar raced upward between 2014 and the November 2016 election of President Donald Trump. The latest downturn means that over half of that two-year gain has been wiped out.

Trump has upset global markets during his first year in office, including dropping the U.S. out of the Trans-Pacific Partnership trade deal between 12 Asian, North American and South American countries. He has also strongly criticized the North American Free Trade Agreement (NAFTA), a landmark trade deal between the U.S., Canada and Mexico. Earlier in the week, he imposed stiff tariffs on foreign-made solar panels and washing machines. Trump’s Commerce Secretary Wilbur Ross spoke alongside Mnuchin and discounted any suggestion that the White House was attempting to launch an international trade war. “We don’t think that adhering to the rules is protectionist,” Ross said. “We think, in fact, it is essential to having markets operate properly, to have people play by the rules.”

Merkel calls for multilateralism, cooperation at Davos

Anadolu Agency, 16.01.2018



German Chancellor Angela Merkel on Wednesday stressed the importance of multilateralism and global cooperation.

Speaking at a special session of World Economic Forum in Davos, Merkel said the spirit of multilateralism, which rebuilt Europe and formed our international institutions in the aftermath of the World War II, was now under threat. “Have we actually learned the lessons of history? We have not really,” Merkel said. On the issue of migration, she urged cooperation and warned of isolation. German chancellor at World Economic Forum warns of isolation

“Ever since the Roman Empire, ever since the Chinese Wall, we know that shutting ourselves off does not help to protect your borders. You also need good cooperation with your neighbors, you need good agreements, valid agreements, that are respected.” The chancellor also said Europe had a responsibility to address the migrant crisis and to “partner” with countries on the path to development. Speaking about the digital economy, Merkel said: “The EU would shift towards a “common digital market.” U.S. President Donald Trump is set to attend Davos on Thursday and Friday.

Recent racist remarks by Trump have drawn worldwide condemnation, exacerbating his international unpopularity. More than 1,000 demonstrators gathered Saturday in the Swiss capital of Bern to protest Trump’s attendance with banners that included, “Kill Trump With His Own Weapons!”. Several other anti-Trump demonstrations are planned in Switzerland in the next few days. Over 3,000 participants from more than 110 countries and more than 340 public figures, including more than 70 heads of state and government and 45 heads of international organizations, are attending the forum, for which security is expected to cost nearly \$10 million. Also in Davos are 10 heads of state from Africa, nine from the Middle East and North Africa, and six from Latin America, plus 40 Western leaders including French President Emmanuel Macron, Canadian Prime Minister Justin Trudeau and British Prime Minister Theresa May. UN Secretary-General Antonio Guterres, along with the heads of UN agencies, the World Bank and the International Monetary Fund are also attending. The Israeli-Palestinian issue will also be addressed, with Israeli Prime Minister Benjamin Netanyahu and Palestinian Prime Minister Rami Hamdallah set to attend.

Trump's focusing on the wrong thing in trade talk, says conservative analyst

Anadolu Agency, 25.01.2018



President Donald Trump's focus on trade deficits being a "bad deal" for the United States is no way to get a trade agreement, conservative economic analyst James Pethokoukis told CNBC on Thursday.

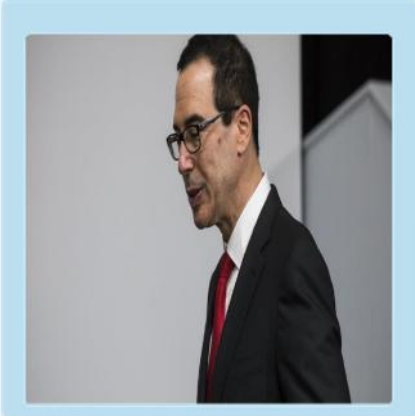
Not only is that talk hindering NAFTA negotiations and any potential of re-entering a Pacific trade deal, the president isn't saying what it is exactly that he wants in the agreements. "I am not all clear ... what the president would want other than a trade surplus and that's not going to happen from these deals.

That is not something you can negotiate into a deal," Pethokoukis said in an interview with "Closing Bell." In an exclusive interview at the World Economic Forum in Davos, Switzerland, on Thursday Trump told CNBC he would reconsider the Trans-Pacific Partnership (TPP) trade deal if the U.S. could strike a "substantially better" agreement. He pulled out of the deal last January, although it already had little chance of securing congressional approval even before he took office.

He also repeated his position that he may terminate the North American Free Trade Agreement (NAFTA) if the U.S. could not reach what he calls a better deal. "I think we have a good chance, but we'll see what happens," he said of whether the U.S. would strike an agreement to stay in the three-nation deal with Canada and Mexico. Pethokoukis, a DeWitt Wallace Fellow at the American Enterprise Institute, said Republicans in general are very confused right now about whether trade is good or bad. As for Trump, "Until he says exactly what he wants from these deals and what would get him to 'yes,' then it's just rhetoric." Laura Tyson, former chair of the President's Council of Economic Advisers under President Bill Clinton, also thinks Trump is going about trade the wrong way. Judging a deal on whether it provides the U.S. with a trade surplus "is not a measure of whether a trade agreement is good or not," she said in an interview with "Power Lunch." Plus, the American business, manufacturing and agriculture communities want NAFTA. "It is very scary to them when he says 'we'll have to negotiate a better deal' or 'I don't know' ... that is a threat that 'I will tear apart NAFTA if I don't get something better,'" she said.

Mnuchin says US does not want trade wars

Anadolu Agency, 16.01.2018



A day after praising the weaker dollar, Treasury Secretary says US seeks more 'fair' trade. U.S. Treasury Secretary Steven Mnuchin said Thursday the White House did not want to start international trade wars but sought "free and fair" trade.

Mnuchin made the comments at the World Economic Forum in Davos, Switzerland. He attempted to downplay comments he made a day before about a weaker U.S. dollar being good for U.S. trade. Those comments sent the value of the dollar spiraling to its lowest level since the end of 2014. Speaking Thursday.

Mnuchin highlighted that the U.S. was not trying to restrict trade. "We want free and fair and reciprocal trade," he said at a press conference. "So I think it's very clear. We're not looking to get into trade wars. On the other hand, we are looking to defend America's interests." Mnuchin also told reporters he held "productive" talks with representatives from China about the trade imbalance between China and the U.S. He said President Donald Trump and Chinese officials agreed that trade between the two nations should become more equal.

"We think it is one of the largest growing markets and we want U.S. companies to participate in an open way," he said. Trump landed in Davos Thursday, and many around the world eagerly await his speech scheduled for Friday. Trump has rattled global markets since he was inaugurated a year ago by pulling the U.S. out of the Trans-Pacific Partnership and threatening to undo the North American Free Trade Agreement (NAFTA). Earlier in the week, he imposed large tariffs on imported solar panels and washing machines. Davos, the annual gathering of global political elites and billionaires, is both the natural environs for an internationally connected businessman like Trump as well as an antithetical gathering to the "America First" protectionism he ran on as a candidate. It is an open question as to which persona he will strike on Friday.

Powell taking over as Fed chairman at time of economic calm

CNBC, 24.01.2018



It would seem like a pretty good time to take over as chairman of the Federal Reserve.

Jerome Powell has won Senate confirmation to head the U.S. central bank, inheriting an economy on a roll, a booming stock market and unemployment at a 17-year low. He will succeed Janet Yellen, the first woman to serve as Fed chairman, when her term ends on Feb. 3. The position is considered the government's most powerful economic job. But while the immediate horizon appears clear, Powell faces the risk that today's sturdy economy.

Low inflation and rising stock market could reverse course in the coming months or years, forcing him to come up with the right remedies. One of the biggest threats could come from inflation, which over the past six years has been extremely low. Some forecasters, however, worry that the days of benign inflation readings could be coming to an end, especially if tight labor markets lead to accelerating wage gains. There is also the concern that the stock market, which has been soaring to record highs, could get thrown into reverse if investors begin to worry about rising interest rates.

Yellen and other Fed officials have emphasized that they hope to remain on a course of gradual rate hikes but they have warned that if inflation does start to accelerate, they may be forced to apply the brakes more forcefully by raising interest rates more quickly. That is the type of scenario that in the past has brought an end to economic recoveries. And this expansion is already the third longest in U.S. history. But for the moment, those threats remain just that — threats. In fact, some Fed officials are not convinced that inflation is on the verge of picking up steam and in fact, they have argued that the central bank may need to slow down rather than accelerate its rate hikes.

That is the economic landscape that Powell inherits following his confirmation for the chairman's job by a Senate vote of 84-13 on Tuesday. President Donald Trump tapped Powell for the job after deciding against offering Yellen a second four-year term as chair despite widespread praise for her performance since succeeding Ben Bernanke. Powell, 64, has served for 5½ years on the Fed's board. A lawyer and investment manager by training, he will be the first Fed leader in 40 years without an advanced degree in economics. Many expect him to follow Yellen's cautious approach to interest rates. Powell, viewed as a centrist, enjoyed support from Republicans and Democrats. The 13 senators who voted against Powell's nomination included four Republicans, eight Democrats and Sen. Bernie Sanders, an independent who votes with the Democrats.



One of the dissenters, Sen. Elizabeth Warren, D-Mass., said she was concerned that Powell “will roll back critical rules that help guard against another financial crisis.” During the presidential race, Trump was critical of the role the Fed played in implementing the Dodd-Frank Act, the 2010 law that tightened banking regulations after the 2008 financial crisis. Trump and many Republicans in Congress contended that the stricter regulations were too burdensome for financial institutions and were a key reason why economic growth since the Great Recession ended in 2009 had been lackluster. Powell has signaled that he favors ways to make bank regulations less onerous, especially for smaller community banks. Trump will be able to essentially remake the Fed’s board during his first two years in office. He has already filled the key post of vice chairman for regulation with Randal Quarles. The president has also nominated Marvin Goodfriend, a conservative economist, for another vacancy on the board.

In addition, he can fill three more vacancies on the seven-member board, including the key spot of Fed vice chairman, which has been vacant since Stanley Fischer left in October. All told, the vacancies will have given Trump the ability to fill six of the seven board positions with his own choices. Lael Brainard will remain the lone board member not to have been chosen by Trump. Powell, known as a collegial consensus-builder, could help serve as a steadying force for the U.S. economy as well as a unifying figure among the central bank’s policymakers. As a Fed governor, Powell has never dissented from a central bank decision.

Educated at Princeton University with a law degree from Georgetown, Powell, known as Jay, spent many years in investment management — at Dillon Read and then at the Carlyle Group. His work there made him one of the wealthiest figures to serve on the Fed board: His most recent financial disclosure form places his wealth at between \$19.7 million and \$55 million. And based on how government disclosures are drafted, his wealth may actually be closer to \$100 million.



Announcements & Reports

Will Macroeprudential Policy Counteract Monetary Policy's Effects on Financial Stability?

Source : Bruegel

Weblink : <http://bruegel.org/2018/01/will-macroeprudential-policy-counteract-monetary-policys-effects-on-financial-stability/>

New Operational Concepts for Integrated Air and Missile Defense

Source : CSIS

Weblink : <https://www.csis.org/analysis/distributed-defense-0?block3>

Transatlantic Relations: Converging or Diverging?

Source : Chatham House

Weblink : <https://www.chathamhouse.org/publication/transatlantic-relations-converging-or-diverging>

Upcoming Events

System Operation Guideline implementation: Stakeholder workshop on the methodology for Cost Benefit Analysis (CBA)

Date : 28 January 2018

Place : Brussels - Belgium

Website : <https://www.entsoe.eu/news-events/events/Pages/Events/system-operation-guideline-implementation-stakeholder-workshop-on-the-methodology-for-cost-benefit-analysis-cba.aspx?EventWorkshopId=352>

NextGen SCADA Europe 2018

Date : 30 January 2018

Place : Amsterdam

Website : <https://www.entsoe.eu/news-events/events/Pages/Events/NextGen-SCADA-Europe-2018.aspx?EventWorkshopId=337>

Internet of Energy

Date : 06 March 2018

Place : Berlin

Website : [https://www.entsoe.eu/news-events/events/Pages/Events/\[Supported\]-Internet-of-Energy.aspx?EventWorkshopId=353](https://www.entsoe.eu/news-events/events/Pages/Events/[Supported]-Internet-of-Energy.aspx?EventWorkshopId=353)



Energy Statistics Course March 2018

Date : 19 - 23 March 2018
Place : Paris
Website : <http://www.iea.org/workshops/energy-statistics-course-march-2018.html>

11th Energy Storage World Forum

Date : 14 May 2018
Place : Berlin
Website : <https://www.entsoe.eu/news-events/events/Pages/Events/11th-Energy-Storage-World-Forum.aspx?EventWorkshopId=334>

Future of Work 2018

Date : 24 May 2018
Place : London, United Kingdom
Website : <https://www.chathamhouse.org/conferences/future-work-2018>

Competition Policy 2018

Date : 11 June 2018
Place : London, United Kingdom
Website : <https://www.chathamhouse.org/conferences/competition-policy-2018>

Cyber 2018

Date : 28 June 2018
Place : London, United Kingdom
Website : <https://www.chathamhouse.org/conferences/competition-policy-2018>