

Deputy PM: Turkey has spent \$12.5 billion on refugees so far

Hurriyet Daily News, 28.10.2016



Turkey has so far spent \$12.5 billion on Syrian refugees, Deputy PM Veysi Kaynak said, while noting that ongoing military operations in northern Syria have not caused any significant new migration influx.

“Turkey has spent \$12.5 billion on refugees so far. The total aid spent by the UN, the EU and European countries amounts to \$510 million,” Kaynak added, stating that the current official number of refugees in Turkey is 2,753,696. Of that number, 255,506 refugees are living in temporary settlements, but government is planning to move more than half of the official total into containers by the end of the year, he said.

He also noted that 500,960 school-aged refugee children will have the opportunity to attend school and the government is planning to provide school for every refugee child within three years. “We are hosting Yazidi people, who fled from the terror of Daesh [the Islamic State of Iraq and the Levant],” Kaynak also said.

“During the ongoing Euphrates Shield operation, not a single refugee has come to Turkey from Syria. This is very important. As our president has stated, this shows how important it is to build a safe zone in the region,” he stated.

Turkey to US: Drop PYD, let's free Raqqa together

Hurriyet Daily News, 27.10.2016



President Recep Tayyip Erdoğan has told U.S. President Barack Obama to exclude the Syrian Democratic Union Party (PYD) from the upcoming Raqqa operation to oust jihadists, reiterating Ankara's determination to continue its military offensive toward al-Bab, Raqqa and Manbij in northern Syria.

“We do not need terrorist organizations like the PYD and YPG [Kurdish People's Protection Units] in the Raqqa operation. Let us work together to sweep DAESH [the Arabic acronym of the Islamic State of Iraq and the Levant] from Raqqa, I told him,” Erdoğan said Oct. 27 following a phone call with Obama.

The two leaders conducted a lengthy phone conversation early Oct. 27, discussing the fight against ISIL in Syria and in Iraq, a written statement issued by the Turkish presidency said, noting that the pair voiced support for the territorial integrity and political independence of Iraq. Erdoğan also said the current operations in Mosul to rid the Iraqi city of ISIL should be conducted with sensitivity.

Obama said he was pleased with the dialogue process between Turkey and Iraq regarding Ankara's participation in the anti-ISIL coalition and appreciated Turkey's contribution to the anti-ISIL fight, especially for the use of Syrian Free Syrian Army (FSA) to clear ISIL elements from the Turkish border.

The U.S. president also called for close cooperation in the fight against ISIL, the White House said in a statement. “Obama noted the need for close coordination between the United States and Turkey to build on these successes and to apply sustained pressure on ISIL in Syria to reduce threats to the United States, Turkey and elsewhere.”

In addition, the U.S. president called for more dialogue on what he called “the appropriate level and form of Turkey's participation in the counter-ISIL coalition's efforts in Iraq.” Erdoğan gave more details about his conversation with Obama in an address to the families of fallen soldiers and veterans. “Now we're advancing toward al-Bab because it's one of their important centers. They will have to abandon al-Bab as well and then we'll head to Manbij and Raqqa. I had a long conversation with Mr. Obama last night and I told him that we'll take these steps,” he said.

“I also told him this: We don't need terror organizations like the PYD and the YPG in Raqqa. The PYD and PKK are the same. ‘Let's together oust DAESH from Raqqa together. We have this power,’ we told them. What are they? They're a simple terror organization,” the president said. In the meantime, the Turkish and American defense ministers, Fikri İlik and Ash Carter, met in Brussels on the sidelines of the NATO ministerial meeting and discussed the ongoing anti-ISIL fight in Iraq and Syria.

Erdoğan told reporters on Oct. 27 that Turkey was calling on the U.S. to change its stance toward the PYD and to embrace the Free Syrian Army as the local ground force to free Raqqa. “We will be insistent on this issue up to the end,” he said, warning the U.S. that any attempt by the PYD to change the demography of Arab-dominated areas would cause severe results.

Erdoğan said he observed a more flexible U.S. approach on Turkey’s demands while informing that both countries’ militaries would begin working together to coordinate military plans on the Raqqa operation and the Euphrates Shield Operation.

Erdoğan and Carter also discussed Turkey’s participation in the Mosul operation, with the latter calling on both parties to reduce the tone of public statements against each other. “We are willing to engage in more dialogue with Iraq. Iraq is our neighbor and tension between the two countries will serve neither. We are aware of this. We are of the opinion that close cooperation between Turkey and Iraq is necessary and beneficial for the region. On this, we thank and appreciate the contribution provided by the U.S.,” he said.

The U.S. has been leaning on Ankara and Baghdad to reduce the tension and to find a way for Turkey to participate in the ongoing Mosul operation. Another important issue for Turkey is the PKK’s alleged plans to establish a new regional headquarters in Sinjar. “We’ll continue to pursue this struggle in Kirkuk, Mosul, Telafer and Sinjar. Why? Because Sinjar is about to become a new Kandil. We won’t allow this,” Erdoğan said. Kandil is a mountain in northern Iraq where the PKK has had its headquarters since the early 1990s. Turkey’s government claims the PKK is moving camps to Sinjar.

US congratulates Turkey on Republic Day, cites long-time alliance

Hurriyet Daily News, 28.10.2016



U.S. Secretary of State John Kerry congratulated the people of Turkey on the 93rd anniversary of the foundation of the Turkish Republic, recalling the U.S. support to the country’s democratically elected government and institutions.

“On behalf of President [Barack] Obama and the American people, I congratulate the people of Turkey as you celebrate the 93rd anniversary of the founding of your republic on Oct. 29,” Kerry said in a written statement. “As a long-time ally, the United States remains steadfast in support of Turkey’s democratically elected government and institutions – institutions enshrined in Turkey’s constitution.

And we express again our condolences to the friends and loved ones of those who were injured or who died during the coup attempt last July,” he said. Turkey and the U.S. continue to work side by side to address a range of challenges including the Syrian civil war, the global refugee crisis, and the threat posed to law-abiding people everywhere by violent extremist groups, Kerry stated.

“Especially in the wake of recent terrorist attacks inside Turkey, the United States is committed to standing with you as we strive together – in partnership with others in the world community – on behalf of justice, security, and the rule of law,” he said.

“The American people place a high value on their many connections to you – through trade and tourism, academic exchanges, and cultural and familial ties. As you mark this special day, you have our very best wishes for a happy, prosperous, and safe year to come,” he said.

PM: Turkey to offer special incentives in seven key sectors

Hurriyet Daily News, 28.10.2016



Seven high added-value sectors, including communications and logistics, will be supported through a number of new incentives, Prime Minister Binali Yıldırım has said at a joint press meeting with the top executives of 20 global companies late on Oct. 27.

“We will support a number of critical sectors, but mainly those with higher added-value such as the ICT sector, chemicals and logistics. These seven sectors will benefit from a number of specially-designed incentives,” Yıldırım said at the 9th Investment Advisory Council Meeting in Istanbul.

He also claimed that Turkey’s “stability and confidence” had been recognized by international investors following the thwarted July 15 military coup attempt. “Despite the coup attempt, no change was seen in our economy and we continued our reforms. Investors said they did not make any changes in their investment plans. Turkey’s commitment to increasing investment is the key for us to boost employment and economic growth,” Yıldırım said.

“If we fail to take the necessary steps, negative developments take place,” he added. “During our intensive talks with global investors today, we had the opportunity to share more than 100 structural steps that we have taken since June to improve our investment climate, including introducing tax relief, launching cash repatriation, lowering corporate costs and easing work permits for foreigners ... We also launched a series of tailor-made investments in addition to a general incentive package,” said Yıldırım. The prime minister said global investors see Turkey as a “regional management hub” as well as a “safe investment destination.”

“They have some expectations to achieve these goals. Some of these have been met and the remaining ones will be completed in the coming period,” he added. Earlier on Oct. 27, the prime minister said 2017 will be a big year for Turkey’s “investment drive.” Attendees of the meeting included the CEOs and executives of 20 multinational companies including Alstom, Alzahid Group Holding, Bank of China, Bombardier, BP, Burgan Bank, Gemalto, Khazanah Nasional Berhad, Microsoft and Sberbank. These companies come from 14 countries and are worth over \$700 billion in total.

ISIL using ‘tens of thousands’ as human shields in Mosul, says UN

Reuters, 28.10.2016



The Islamic State of Iraq and the Levant (ISIL) forces in Iraq have abducted tens of thousands of men, women and children from areas around Mosul and are using them as “human shields” in the city as Iraqi government troops advance, the U.N. human rights office said.

ISIL killed at least 232 people, U.N. human rights spokeswoman Ravina Shamdasani said. “Credible reports suggest ISIL has been forcing tens of thousands of people from their homes in sub-districts around Mosul and have forcibly relocated numbers of civilians inside the city itself since the operation,” Shamdasani told.

This was to “use them as human shields, to be able to keep them close to military installations ... to try to frustrate the military operation against them,” she said. Nearly 8,000 families, of roughly six people each, were abducted in sub-districts including Shura, she said. This adds up to roughly 48,000 civilians.

“ISIL’s depraved, cowardly strategy is to attempt to use the presence of civilian hostages to render certain points, areas or military forces immune from military operations, effectively using tens of thousands of women, men and children as human shields,” Shamdasani said.

“Many of those who refused to comply were shot on the spot,” she said. The reports, from people who have fled as well as aid groups, have been corroborated by the United Nations, she added. U.N.

High Commissioner for Human Rights Zeid Ra’ad al-Hussein has voiced deep concern at reports that some individuals in the areas south of Mosul have “embarked on revenge killings and have vowed on television that there would be ‘eye-for-eye’ revenge against those who sided with ISIL,” Shamdasani said. “Some people say that ‘I saw this man coming, and he killed my father, so I couldn’t resist, I had to exact revenge,’” she said.

Some villagers have been prevented from returning to their villages due to their perceived support of ISIL, she said. U.S. Air Force Brig. Gen. Matthew C. Isler said that Iraqi troops have retaken 40 villages from ISIL near Mosul.

The fight to retake Mosul, which fell to ISIL in a matter of days in the summer of 2014, is the largest military operation undertaken in Iraq since the 2003 U.S.-led invasion. Isler said the U.S.-led coalition had stepped up airstrikes against the militants, and is carrying out three times as many as it did during previous campaigns to drive ISIL from other Iraqi cities.

Russia cancels refueling in Spain after NATO reaction

Hurriyet Daily News, 26.10.2016



Russia withdrew its request to refuel a fleet of Russian warships in Spain, amid pressure from NATO, which raised concerns that the ships could be used to ramp up air attacks in Syria. Vasily Nioradze, said that the request has been canceled, but he gave no details.

The Russian aircraft carrier Admiral Kuznetsov and support vessels have streamed through the North Sea and English Channel in recent days heading to the Mediterranean Sea. Russia announced the Admiral Kuznetsov would be sent to the eastern Mediterranean to boost its naval forces in area.

NATO Secretary-General Jens Stoltenberg, speaking at a meeting of alliance defense ministers in Brussels on Oct. 26, said the deployment raises concerns that air assaults could increase in Syria, notably in the besieged city of Aleppo.

“It’s a decision which has been taken by individual allies whether they provide fueling and supplies to Russian ships,” AFP quoted Stoltenberg as saying in Brussels. “But this time I have conveyed a very clear message that we are concerned about the potential of this carrier group to increase attacks in Aleppo,” he added. “All allies are aware of our concerns; they share our concerns about Russian airstrikes against Aleppo.”

Britain also weighed in, with U.K. Defense Secretary Michael Fallon saying on Oct. 26 that “we would be extremely concerned if a NATO member should consider assisting a Russian carrier group that might end up bombing Syria.”

The Spanish Foreign Ministry said in a statement that Russian Navy ships had been stopping in Spanish ports for years and that requests “are approved case by case, depending on the characteristics of the vessel.” Spain, a NATO member, regularly allows Russian war ships to stop in Ceuta, which faces the British territory of Gibraltar on Spain’s southern tip. While Ceuta is part of the EU, its NATO status is unclear.

At least 57 Russian navy ships have stopped in Ceuta between 2011 – when Moscow started to regularly use the port facilities there – and August 2015, according to the conservative U.S. think tank Heritage Foundation.

EU and Nigeria to begin talks on sending economic migrants home

Financial Times, 27.10.2016



The EU and Nigeria start formal talks in Abuja this week on a deal to send economic migrants back home, as part of the bloc's latest move to stem the exodus of Africans to Europe.

The delegation of 15 EU officials to the Nigerian capital will also be discussing plans to direct private European money to infrastructure projects in the west African country. This is part of a longer term goal to raise up to €60bn of private funds to stem migration from nations including Nigeria. Diplomats say all this is aimed at addressing not only the ramifications of migration in Europe, but also dealing with the root causes of migration from the world's poorest continent.

The EU has already outlined plans to retarget about €8bn during the next four years to help countries with large numbers of would-be migrants. "There is a lot more emphasis now on the role of private sector investment ... and not just development aid," said one European diplomat in Abuja. "We are seeing political attention in Brussels that certainly in the case of Nigeria did not exist before."

But the "return and readmission" deal the EU is seeking first with Nigeria and then with four other states, including Ethiopia and Niger, is the sharpest tool in the EU's arsenal — and the most technical and sensitive aspect. It is not clear how many Africans would be returned but Preben Aamann, an EU spokesman, said last week that "there are virtually no Syrians" among the nearly 132,000 people who have arrived in Italy this year. The EU says most of them will have their claims for asylum rejected. This makes their "readmission", or deportation to Africa, "a key issue for European diplomacy", he said.

Officials have set specific targets. "We want to reach 50 per cent within the next three or six months and we want to reach 75 per cent in 18 or 24 months," one official said. "We want an overarching EU-level deal ... certainly the sooner the better," he said.

Citizens from Nigeria, Africa's most populous nation, constitute the largest number of arrivals by sea to Italy this year. Most are fleeing poverty, not the violent Boko Haram insurgency in their country's north-east, according to both the EU and Nigeria. On the table are proposals to bring Nigerian officials to Italy to identify citizens who have either lost or destroyed their identification documents.

The focus on Africa comes after the EU stemmed the flow of refugees from the Middle East, after it inked a contentious deal with Turkey and closed Greece's borders. The chaotic mass movement to Europe that began in 2015 and was sparked by the war in Syria has deeply divided the bloc.

But migration from Africa began earlier, spiking in 2014. Officials say they think structural pressures such as slowing growth, high unemployment and widespread poverty will continue to drive people to leave Africa. Nigeria's population of nearly 200m will double by 2050, a statistic that is increasingly raising alarm because infrastructure and services in the country are already at breaking point. Italian officials will welcome the start of the talks. They have often complained that the EU response to the migration crisis has been far too timid.

They caution that the €3bn Turkey deal will make negotiations difficult as it has raised expectations of a similar pay-off for African countries. They also question if African countries even have the capacity to stop the flow of migrants.

Bad news for European corporate bonds

Bloomberg, 28.10.2016



That has been a tough lead-up to Halloween for long ends of major sovereign bond markets in Europe. The fallout in the corporate bond market is on its way -- and the window for issuing new debt could soon close.

The current government bond rout seemed pegged to the surprisingly strong U.K. growth data published Thursday. The Bank of England was the great cheerleader for one last round of pump-priming, and now that's no longer needed. So much for central bank bond purchases. The change in sentiment hasn't shown up at a broad level in the European credit market, but it should.

But to be honest, the backdrop's been worsening for a while. Fears that the monetary road is running out have heightened expectations that the baton is being passed to fiscal expansion -- infrastructure projects are all the rage. That suggests greater government debt issuance, and more supply points to higher yields. Inflation's also on the way, and U.S. GDP figures due Friday should cement the picture of improving data across major economies.

Whispers from Saudi Arabia and the Gulf Cooperation Council to cut oil production by about 4 percent adds to the sense that crude, and consumer prices, are headed higher. And let's not forget central banks' near- ceaseless demands for curve steepening. It now seems that the biggest bubble in town is bursting. Europe's corporate benchmark sold off Thursday as investors lost faith in continued central bank stimulus. For companies looking to raise money, the benchmarks for pricing their issues are now a moving target. Any liquidity or price problem in the fixed income market translates into a violent reaction that puts everyone off until the dust settles.

It's a matter of paying up with a much wider spread, or staying out of the market entirely, and the latter is far more likely. A look at British American Tobacco's issue from early last month shows the pain is particularly acute at the long end.

The third-busiest week for new company issues this year has seen Daimler and Danone successfully complete new deals, and it now seems they've done so in the nick of time. Bayer's got one coming, and it will be worth watching if the company's going to have to pay a bit more, or decide to delay until the broader market settles. The party's over, at least for now.

France starts clearing 'jungle' migrant camp in Calais

Reuters, 27.10.2016



France began clearing the sprawling "Jungle" migrant camp, with hundreds carrying suitcases queuing outside a hangar to be resettled in reception centers across the country.

The first buses departed less than an hour after immigration workers started the operation and officials predicted some 2,500 would leave on the first day. "Bye Bye, Jungle!" a group of migrants shouted, according to AFP. Armed police fanned out around the warehouse and across the squalid shanty-town after a night during which small groups of migrants burned toilet blocks and hurled stones at security forces in protest at the plans to dismantle the camp.

The Socialist government says it is closing the camp, home to 6,500 migrants fleeing war and poverty, on humanitarian grounds. It plans to relocate them to 450 centers across France. "We don't know yet where we are going, but it will obviously be better than the Jungle, which was made for animals not humans," said Wahid, a 23-year-old Afghan, AFP reported.

"I hope this works out. I'm alone and I just have to study," Amadou Diallo from the West African nation of Guinea told Reuters. "It doesn't matter where I end up, I don't really care." French Interior Ministry spokesman Pierre-Henry Brandet said that authorities had not needed to use force and that the large police presence at the camp on Oct. 24 was just for security.

Many of the migrants and refugees hail from countries like Afghanistan, Syria and Eritrea and had wanted had reach Britain, which bars most of them on the basis of EU rules requiring them to seek asylum in the first European country they set foot in.

But even as the process began, the fate of about 1,300 unaccompanied child migrants remained uncertain. Discussions are underway with British authorities over who should take in children with no family ties in Britain, the interior ministry spokesman said, adding that 200 had left for Britain last week.

The migrants are being separated into families, adults, unaccompanied minors and vulnerable individuals, including elderly people and single women. They are then be bussed to the reception centers where they will receive medical checks and, if they have not already done so, decide whether to apply for asylum. The government expects the evacuation will take at least a week.

“It’s going well. We knew this morning that there would be a lot of people, and that’s what’s happening,” regional Prefect Fabienne Buccio. “There was no pushing, the minors arrived. We had a particular concern for the minors, paid them particular attention, but it went well,” she added.

From big bang to Brexit

Economist, 28.10.2016



The City of London is fretting about Brexit, especially about talk of a “hard Brexit” that takes Britain out of the EU’s single market. That raises doubts about the future of passporting, which allows financial-services providers to trade across the EU without separate regulatory or capital requirements.

Another concern is that the government’s plan to start the formal process for Brexit by the end of March will mean that Britain may be out of the EU as early as 2019, yet banks must plan two or three years ahead. Hence the latest warning from Anthony Browne that banks may start shifting jobs to Europe early next year.

It is a nice irony that such jumpiness should coincide with this week’s 30th anniversary of Big Bang, the deregulatory step that largely created today’s City (hugely helped by the expansion of Canary Wharf). Before Big Bang, says one financier, the City was backward and parochial, and there were real fears that it might lose out not just to New York but to continental Europe. It was Big Bang that underpinned London’s dominance of European finance. And it is Brexit that may now challenge it.

There is no disputing the importance of financial services to the British economy. TheCityUK, a lobby group, says 1.1m people work directly in the business, rising to 2.2m if jobs in supporting infrastructure are included. Two-thirds of them are outside London. Financial services contribute some 12% of the national tax take. Banking is the country’s biggest single export. Financial and related services generate an annual trade surplus of £55bn (\$67bn).

Yet many Brexiteers are unfazed by bankers’ threats to decamp. They say that as finance goes global, passporting will no longer matter. Nowhere else in Europe could replicate London, whose competitors are New York, Singapore and Hong Kong. The City expressed similar fears of job losses after Britain’s decision not to join the euro, which proved empty.

And they argue that London is a huge asset for the EU, not just Britain; European companies and banks need it, so their politicians will not damage it. This seems complacent to those working in the City. Take passporting.



There are many kinds of passport, from asset management to insurance to banking. For some sectors, like hedge funds and general insurance, passporting may not matter much. But as a report from Open Europe, a think-tank, notes, it is critical for investment banking. Some banks are established in more than one place already:

Citibank has a separately capitalised subsidiary in Dublin. But most are not. The EU accounts for a fifth of their business; if they lose the passport, they must set up elsewhere (estate agents already report inquiries about space in Frankfurt). That could cost billions, when profit margins are tiny.

As for claims that nowhere else can compete, London will surely remain Europe's biggest financial centre. But finance is not static. Young people in the fast-expanding "fintech" business could shift almost anywhere. There are many rival places for financial services to go, from Frankfurt to Amsterdam to outside Europe.

Morgan Stanley's first overseas office was in Paris, not London. JPMorgan Chase has warned that Brexit might lead to 4,000 job losses; HSBC has talked of transferring 1,000 staff to Paris. Oliver Wyman, a consultancy, estimates in a report prepared for TheCityUK that a hard Brexit could immediately cost as many as 75,000 jobs in all, a significant hit. Mark Boleat of the Corporation of London reckons a third of lost jobs might go to the continent, a third to New York—and the rest could just disappear.

Nor is there much sign of other countries backing the City. The financial-services industry is hardly popular across Europe, where it is widely blamed for the financial crisis. Other governments itch to pinch parts of London's business. Clearing and settlement is a prime example. London handles the bulk of clearing of trades in euros, but the European Central Bank has long wanted to repatriate this to Frankfurt. An earlier attempt was rebuffed by the European Court of Justice, but Brexit may deprive London of judicial protection. Profits from clearing matter a lot to the London Stock Exchange.

Are there alternatives to passporting? Some have suggested relying on regulatory equivalence or mutual recognition. The argument is that post-Brexit Britain starts with the same rules as the EU, so regulators should give banks the same freedom.

But this would work only if Britain follows all future EU regulations despite having no say in them—and Brexiteers are keen to tear up red tape, starting with the EU's foolish cap on bank bonuses. Migration is another worry. The industry needs to hire staff from the rest of Europe at short notice, yet Brexiteers want to introduce work permits or visas.

A report by PwC, a consultancy, for the Corporation of London floats the idea of regional visas for London alone. Yet it is hard to see a carve-out for the City from broader controls, just as it is hard to imagine a deal that gives it alone full access to the EU's single market (and bankers snort at any notion that they might pay for the privilege). Grim noises from the City may be partly designed just to shock pro-Brexit ministers. But bankers are deadly serious over needing clarity about post-2019 transitional arrangements if they are not to start shifting jobs abroad soon. Their big hope is that Philip Hammond, the chancellor, makes continuation of the banking passport in some form his priority for Brexit negotiations. But they are not sanguine.

Goldman Sachs to Trump: You're no Mr. Brexit

Foreign Policy, 26.10.2016



Republican presidential nominee Donald Trump likes to call himself “Mr. Brexit,” a nod to Britain’s unexpected vote this summer to leave the European Union. He keeps saying that polls don’t capture the view of the people — just as “Leave” campaigners said of pre-vote predictions in the U.K. Many of his supporters gleefully predict a Brexit-style surprise is in store for Democrats.

According to Goldman Sachs, Trump’s wrong. In a research note circulated Wednesday, the investment banking giant belittled his chances of defying a bevy of opinion polls that show him well behind his Democratic rival, Hillary Clinton.

“First, and most importantly,” wrote Goldman economist Alec Phillips, “while both situations represented an opportunity for voters to endorse a change in the status quo, voters in the UK were asked to decide on an idea whereas in the U.S. they are being asked to decide on a person. Second, the polls are simply not as close in the current presidential contest as they were ahead of the UK referendum.”

Phillips notes that it was betting houses that overwhelmingly showed that Britons would choose to stay in Europe, leading to a sense of complacency in the “Remain” campaign, depressed turnout in key districts of London, and a sense of shock even for “Leave” campaigners when they won. However, opinion polls actually showed it a dead heat: the Economist magazine published an average of polls that showed the referendum virtually tied.

According to the Real Clear Politics average of all major U.S. polls in the presidential election, Clinton is up on Trump nationally by about 4.5 percent. Individual polls show a more commanding lead at the national level: the latest NBC News/Wall Street Journal poll has Clinton up 11; the most recent ABC tracking poll had her up nine among likely voters; and a CNN tally gives Clinton a five point national advantage. Polls that show Trump ahead, like the Los Angeles Times and Rasmussen polls, use different methodology than their more mainstream brethren. Phillips said these should be trusted less because they give small groups of people enormous weight.

However, Goldman is not prepared to anoint Clinton just yet. If undecided voters went in their entirety for Trump, it could swing the election. But Phillips said data shows this is unlikely, citing a Washington Post poll showing that 46 percent of undecideds had a “strongly unfavorable” view of Clinton; 71 percent view Trump unfavorably. Wall Street is desperate for a Clinton victory — and not necessarily for the reasons Vermont senator Bernie Sanders raised during the primaries — but rather because bankers hate uncertainty, and uncertainty is the one thing a Trump presidency would bring.

(She's also winning plenty of support from the U.S. oil patch, which also craves certainty.) According to the Center for Responsive Politics, financial services firms have donated \$65 million to the Clinton campaign. Trump has received about \$716,000 from the same cohort.

Clinton eyes Biden for secretary of state

Hurriyet Daily News, 26.10.2016



U.S. Democratic presidential nominee Hillary Clinton in considering to appoint U.S. Vice President Joe Biden as her secretary of state if elected as president at the Nov. 8 elections, Politico reported on Oct. 27.

U.S. Vice President Joe Biden is at the top of the internal short list Clinton's transition team is preparing for her pick to be secretary of state, Politico cited a source familiar with the planning as saying. 'They are spending a lot of time figuring out the best way to try to persuade him to do it if she wins,' the source said, according to a report on Politico's website published on Oct. 27.

According to the source, either Clinton, nor her aides have yet told Biden and that they are strategizing about how to make the approach to the vice president, who almost ran against her in the Democratic primaries but has since been campaigning for her at a breakneck pace all over the country in these final months.

"He'd be great, and they are spending a lot of time figuring out the best way to try to persuade him to do it if she wins," said the source familiar with the transition planning. Meanwhile, Clinton's Republican rival, Donald Trump, criticized her on Oct. 27 over her trade policies, saying she would handle trade deals so badly that the country should "just cancel the election" and name him the victor.

Speaking to supporters in Toledo, Ohio, Trump said the North American Free Trade Agreement signed by Clinton's husband, former President Bill Clinton, had led to the outsourcing of thousands of Ohio jobs to Mexico, a practice he vowed to stop if elected president on Nov. 8.

"We should just cancel the election and just give it to Trump, right?" he said. "What are we even having it for? Her policies are so bad." Trump's remarks came as the New York businessman tries to steady rocky poll numbers amid a series of controversies and self-inflicted wounds.

Trump asks voters to elect him president, claims to be beating Clinton

Hurriyet Daily News, 26.10.2016



U.S. Republican presidential candidate Donald Trump urged Americans to “rise above the noise” of the caustic 2016 race and elect him president, as he insisted he is winning against rival Democratic Clinton despite polls that show the opposite.

Casting the election as a “once-in-a-lifetime” opportunity to reject the nation’s political elite, the provocative Republican billionaire insisted he was the voice of the American everyman and essentially urged voters to ignore his 18-month candidacy of overheated rhetoric. “You’ve got to get out and vote,” Trump told, as early voting kicked off in the state barely two weeks before Election Day Nov. 8.

“I’m asking the American people to rise above the noise and the clutter and to embrace the faith and optimism that is... the most crucial ingredient of the American character.” But instead of treading the optimistic high ground, he swiftly returned to rounding on Clinton, decrying the “phony polls” that show him trailing, and questioning the centuries-old integrity of the U.S. election process.

“Our system is rigged,” he said, as he berated Clinton for using a private email server and highlighted revelations in Monday’s Wall Street Journal that the organization of a Clinton ally paid nearly \$500,000 to the political campaign of the wife of an FBI official who later helped oversee the investigation against her.

“She never had a chance of being convicted, even though everybody in this audience... knows that she’s 100 percent guilty,” he said. Clinton, who turns 69 on Oct. 26, aims to become the nation’s first female president. She was seeking to cement her lead by conquering battlegrounds including Florida, North Carolina and Ohio where early voting has already begun, and where the race will be won or lost.

Trump, who faces an increasingly narrow path to victory amid damning revelations about his treatment of women, continued to assure his supporters that the polls were unfairly tilted towards Clinton and that he would prevail. “We’re winning, not only Florida, but we’re going to win the whole thing,” Trump said in St. Augustine.



Announcements & Reports

An anatomy of inclusive growth in Europe?

Source : Bruegel
Weblink : <http://bruegel.org/2016/10/an-anatomy-of-inclusive-growth-in-europe/>

A glass half full: The rebalance, reassurance, and resolve in the U.S.-China strategic relationship

Source : RAND
Weblink : <https://www.brookings.edu/research/a-glass-half-full-the-rebalance-reassurance-and-resolve-in-the-u-s-china-strategic-relationship/>

Income convergence during the crisis: did EU funds provide a buffer?

Source : Bruegel
Weblink : <http://bruegel.org/2016/10/income-convergence-did-eu-funds-provide-a-buffer/>

Upcoming Events

Financial Stability

Date : 3 November 2016
Place : Berlin – Germany
Website : <http://bruegel.org/events/financial-stability-conference-2016/>

How Smes Can Meet The Standards For Trade

Date : 9 November 2016
Place : Brussels - Belgium
Website : <http://bruegel.org/events/meeting-the-standards-for-trade/>

Vision Europe Summit 2016

Date : 21 – 22 November 2016
Place : Lisbon - Portugal
Website : <http://bruegel.org/events/vision-europe-summit-2016/>