Politics & Economics Bulletin

► *21.09.2018*

Turkish Treasury borrows $347M through auction

Anadolu Agency, *18.09.2018*

The Turkish Treasury borrowed some 2.2 billion Turkish liras (around $347 million) from domestic markets, the Treasury and Finance Ministry announced on Tuesday.

The auction was held for 12-month zero coupon bonds -- new issuance -- to be settled on Wednesday and mature on Sept. 18, 2019, according to an official statement. The average annual simple and compound interest rates of the 364-day bonds were 25.05 percent, the ministry added. According to the domestic borrowing strategy.

The ministry has projected 21.9 billion liras (around $3.4 billion) of borrowing from the market through auctions in the September-November period. Tuesday's auction was second out of a total 11 planned auctions on the ministry's issuance calendar for the three-month period.

IFC invested $1.1B in Turkey in fiscal year 2018

Anadolu Agency, *18.09.2018*

Turkey got biggest share of investments by World Bank's International Finance Corporation in Europe and Central Asia region. The World Bank's private-sector arm made $1.1 billion in long-term investments in Turkey during its fiscal year 2018, the International Finance Corporation (IFC) announced.

"IFC's largest commitments during the last fiscal year were Turkey ($1.1 billion), Romania ($336.4 million), Serbia ($190.5 million), Ukraine ($129.1 million) and Kazakhstan ($111.5 million)," the IFC -- a member of the World Bank Group -- said in a statement. Turkey is currently the IFC's second-largest investment destination globally, according to the statement.

It also provided $938 million to Turkish banks under its global trade finance program, broadening access to finance for companies. The IFC's long-term financing in Turkey focused on supporting the country's development priorities in line with the World Bank Group country partnership strategy. The IFC is a global development institution focused on the private sector in emerging markets. It works with more than 2,000 businesses globally. In fiscal year 2018, the IFC delivered more than $23 billion in long-term financing for developing countries, leveraging the power of the private sector to end extreme poverty and boost shared prosperity.

Turkish private sector long-term foreign debt falls

Hurriyet Daily News, *17.09.2018*

The Turkish private sector's long-term foreign debt fell $80 million this July from the end of December 2017, the country's Central Bank announced Wednesday.

The sector's long-term loans reached $221.6 billion as of July, the Turkish Central Bank said in a statement. The bank also said the sector's short-term loans -- debt that must be paid in the next 12 months -- rose $320 million to $18.9 billion during the same period. "As for the sectoral breakdown by the end of July, of the total long-term loans, 49.8 percent consists of the liabilities of financial institutions, while 50.2 percent consists of the liabilities of non-financial institutions."

Nearly 60 percent of Turkey's private sector long-term debt was in U.S. dollars, with 34.6 percent in euros, 4.1 percent in Turkish liras, and 1.6 percent in other currencies. The liabilities of financial institutions and non-financial institutions accounted for 76.7 percent and 23.3 percent, respectively, of the private sector's short-term foreign debt. Some 45.9 percent of short-term debt was in U.S. dollars, followed by 33 percent in euros, 21 percent in Turkish liras, and 0.1 percent in other currencies.

Turkey is capable of overcoming economic woes: BP Pres.

Hurriyet Daily News, *18.09.2018*

The Turkish economy can cope with economic difficulties because of its many geopolitical advantages.

Mick Stump's remarks came during his speech on Tuesday at a meeting of the Turkish National Committee of the World Energy Council (WEC) at Ankara's Sheraton Hotel. "We still have great belief in Turkey. Every economy has its short-term problems, and Turkey will get through this one," Stump affirmed at a time when the country is going through a currency problem.

As one of the 20 developing economies worldwide, Turkey, located in an area of geopolitical importance, remains vitally important for BP considering its long-term potential, Stump said. Turkey enjoys an enviable position in the field of energy diplomacy, Stump said, referring to its location close to Mediterranean, Caspian and Middle Eastern energy sources while adjacent to the European market's energy consumers. Stump explained that the rich hydrocarbon resources in the Caspian could only gain access to world markets from Turkey. Currently, 2.5 percent of the world's oil production passes through the Turkish Straits and via pipelines such as the Baku–Tbilisi–Ceyhan (BTC) pipeline that delivers 1 percent of the world's oil. Stump argues that taking into account the volume of global oil trade; he said this percentage was significant making Turkey strategically important for BP.

"We have investments both in the upstream and downstream, and we want to continue to grow in Turkey where we have been operating for 106 years," Stump said. "Over this time, we have made major contributions to the Turkish economy and the energy sector, as well as to society. For BP, Turkey is one of our strategic five markets in fuels worldwide. Today, there are seven hundred service stations in Turkey and we are continuing to add new sites every year," he said. Stump declared that BP's work over many years with Turkey’s giant companies included Turkish Petroleum and BOTAS for both the BTC project and for the Shah Deniz giant gas field, one of the world's largest gas-condensate fields off Azerbaijan's coast in the South Caspian Sea. "Both companies have great expertise and experience, and have contributed hugely to the success of the BTC pipeline and Shah Deniz projects. We continue to look for new opportunities to partner and grow with these great companies both in the upstream and downstream," he said. In response to a question on his recommendations to foreign investors considering investing in Turkey, he advised that investors think in the long term. "Understand your market. Invest for the future. Stick with it through the difficult times. We have been here for 106 years, and we have had our ups and downs. We are still here and we are still growing," he said. He added that although many consider BP as an international company, when it is present in Turkey it becomes a Turkish company. Localization has happened very quickly here, he said, adding, "We regard ourselves as a Turkish company."

Protectionism harmful in long term: State bank CEO

Hurriyet Daily News, *19.09.2018*

Protectionist trade policies may seem lucrative in the short term, but in the long run, they are damaging, Mehmet Emin Ozcan, the CEO of state lender Vakif Bank.

"It is not conflicts that enhance the welfare of humanity, but cooperation," he told the 9th Istanbul Finance Summit's (IFS'18) opening session. "The best example of this cooperation is international trade, which is not only trade in goods, but also cultural exchanges," he added. He also underlined that unilateral determinations on international trade are contrary to its nature.

"I hope all parties, especially the U.S., will end the process called trade wars," he said. Meliksah Utku, the CEO of private participation bank Albaraka Turk, stressed that trade wars are expected to affect he U.S. and China hardest. Turkey will not be affected by them due to its flexible and wide-ranging export structure, he stressed. "Some studies show that trade wars may even affect Turkey positively," he added. Touching on currency fluctuations in Turkey, Utku said the bad effects of this would be temporary due to the wise economic course of the country's administration. Ali Fuat Taskesenlioglu, the head of Turkey's Capital Markets Board (SPK), said that unfortunately, the top issue this year is the problem of trade wars. "History has seen several trade wars, and currently, there is a global trade war with diplomatic and economic effects," he stated. Trade wars raise of local firms' input costs, and Turkey needs to develop domestic industry and provide sustainable growth, he underlined. During the two-day IFS'18, which kicked off on Wednesday, 19 sessions will be held on a range of issues under the general theme "Trade Wars and Financing Industries." The summit will be attended by a host of officials, economists, businesspeople, bankers, and academics.

Turkey's net intl investment position improves in July

Middle East Online, *21.09.2018*

Turkey's net international investment position (NIIP) showed a recovery in July, shrinking 16.1 percent compared to the end of 2017, the Turkish Central Bank reported on Friday.

"External assets recorded $229.6 billion, indicating a decrease of 1.4 percent compared to the end of 2017, and liabilities against non-residents recorded $620.3 billion, indicating a decrease of 11.2 percent," the bank said in a statement. According to official data, the gap between Turkey's assets abroad and liabilities -- the NIIP -- was minus $390.7 billion in July while it was minus $465.7 billion at the end of last year.

Showing a snapshot in time, the NIIP -- which can be either positive or negative -- is the value of overseas assets owned by a nation, minus the value of domestic assets owned by foreigners, including overseas assets and liabilities held by a nation's government, the private sector, and its citizens. Reserve assets went down 6.5 percent to hit $100.7 billion, while other investment rose 1.3 percent to $77.5 billion during the same period. Currency and bank deposits, one of the sub-items of other investments, reached $34.9 billion at the end of this July. On the liabilities side, direct investment -- equity capital plus other capital -- as of the end of July amounted to $141.9 billion, down 27.5 percent from the end of 2017 "with the contribution of the changes in the market value and foreign exchange rates," it said.

This January to July, the average U.S. dollar/Turkish lira exchange rate was around 4.22, while last year one dollar was exchanged for 3.625 Turkish liras on average. "Total external loan stock of the banks recorded $92.6 billion, decreasing by 2.2 percent compared to the end of 2017, and total external loan stock of the other sectors recorded $111.1 billion, increasing by 2.8 percent," the bank added.

Ankara sharply cuts investment levels for Turkish citizenship

Hurriyet Daily News, *19.09.2018*

Turkey has significantly eased the required limits for foreigners to acquire Turkish citizenship to encourage investment, according to new regulations published in the country's Official Gazette on Sept. 19.

The lower limit of fixed capital investments to acquire Turkish citizenship for foreigners has been reduced to $500,000 from $2 million. Foreigners who own real estate in Turkey worth a minimum of $250,000, instead of $1 million, can avail Turkish citizenship.

The deposit requirement of minimum $3 million in Turkish banks has also been lowered to $500,000. Foreigners who generate jobs for minimum 50 people will also be able to take Turkish citizenship, the decree signed by President Recep Tayyip Erdoğan said. The previous number required was 100. Foreign investors should hold the properties or continue the minimum limit of financial investments for at least three years to meet the criteria for Turkish citizenship.

Turkey's unemployment rate remained constant at 10.2 pct in June

Hurriyet Daily News, *17.09.2018*

Turkey's unemployment rate remained unchanged at 10.2 percent in June from the same month of 2017, the country's statistical authority announced on Sept. 17.

Thus, the unemployment rate increased to double digits again after falling to 9.7 percent in May. Official data showed that seasonally unemployment rate was 10.9 percent with a 0.3 percentage point increase in June. The number of unemployed persons aged 15 years and over rose by around 64,000 on a yearly basis, totaling some 3.3 million in June.

“In the same period, the non-agricultural unemployment rate occurred as 12.1 percent, with a 0.1 percentage point decrease,” the Turkish Statistical Institute (TÜİK) said. “While the youth unemployment rate, including persons aged 15-24, was 19.4 percent with a 1.2 percentage point decrease, the unemployment rate for persons aged 15-64 occurred as 10.4 without any change,” it added. In May, the country’s unemployment rate was 9.7 percent with nearly 3.1 million unemployed persons aged 15 years and above, a drop of 0.5 percentage points compared to the same month in 2017. The number of employed persons rose by 611,000 to 29.3 million persons in the period of June 2018 compared with the same period of the previous year. The employment rate occurred as 48.4 percent with a 0.4 percentage point increase.

Monetary policy is directly responsible for economic and financial stability

CNBC, *16.09.2018*

Central banks are the top cops on the beat controlling the economy's lifeline. They see everything and know everything. If they don't, they are not doing their job. And if they don't promptly and properly act on what they see and know, they should think again about the sacred duty of public service.

It's that simple. A sobering reminder at the time of the Great Recession's sad anniversary, and the profound economic and political changes it has ushered in the trans-Atlantic community. At the heart of that devastating event were serious errors of monetary policy.

It was coupled with failures to effectively supervise and manage the financial system. The rest, as the saying goes, is history. Ideally, it should be the history in Cicero's sense: "History is life's teacher" the Roman sage said, noting that reflections on the past should serve as lessons for the future. An overwhelming majority of those warning about incipient financial crises tell us that we have learned nothing from the debacle that began to wreak havoc more than 10 years ago. By contrast, a distinct minority that believes that the West's financial system has been strengthened since the spectacular demise of Lehman Brothers is barely audible. But, as always, blame-game debates and high-handed judgments are not particularly illuminating. I believe that the most useful discussion now would be to review the current monetary policies in the U.S. and the European Union — the two economic systems severely affected by the last financial crisis — and to draw some conclusions from that about the short- and medium-term economic outlook.

At the moment, the expansionary credit stance in the U.S. is part of a strong fiscal-monetary stimulus driving the economic growth in the first half of this year at an annual rate of 2.8 percent. That is an entire percentage point above the estimated potential and noninflationary growth rate of 1.8 percent set by the available stock and quality of human and physical capital. Predictably, that explosive policy mix is raising concerns about accelerating price inflation. Consumer prices in August were 2.7 percent above the year earlier. The core rate of inflation (the consumer price index minus energy and food prices) came in at 2.2 percent, marking a steady upward trend from 1.7 percent in August 2017. The Federal Reserve's preferred inflation gauge — the personal consumption expenditure index — has also risen steadily since the middle of 2017 to 2.2 percent at the end of this year's second quarter. Its core rate of 1.9 percent is at the upper limit of a presumed 2 percent policy target.

And then we have rising unit labor costs as a result of increasing nominal hourly wages and sluggish productivity gains. The costs per unit of output — a floor to general inflation rates — are currently growing at an annual rate of 2 percent. Those three inflation indicators show that the Fed has already reached — and breached — the upper limit of a 0 to 2 percent range that usually defines price stability. Clearly, the Fed has not been able to hold inflation down. Statements by Fed officials last week are recognizing that difficulty, admitting that inflation will be rising above 2 percent. A strange "market guidance" indeed. Consumer prices in July and August have already been pushing up at an average annual rate of 2.8 percent. It sounds like the Fed is saying that prices of a typical American consumer basket are irrelevant to its policy settings. But that's not how bond markets see that most painful cut to real incomes: Inflation expectations have been fired up, the yield curve has steepened sharply, and the benchmark 10-year Treasury note closed at 3 percent last Friday — 14 basis points above the yield at the beginning of this month. Please remember: Whenever bond market investors vote with their feet, they are casting a resounding vote of no confidence in a central bank's commitment to price stability and in the currency's real purchasing power. The European Central Bank is in a much better harmony with asset markets. The euro area's 1.2 percent core rate consumer price inflation offers quite a bit of scope to maintain a vastly accommodative monetary policy to support the economic growth in the range of 2 to 2.5 percent.

The euro area's changing credit market trends are also signaling significant structural improvements. Bank credit to the private sector continues to grow at a steady rate of about 3 percent, while lending to governments has been reduced to an average annual rate of 3.7 percent in the three months to July. That is a sharp decline from growth rates of 7 percent in the closing months of last year, and a clear sign of a roughly balanced budget for the euro area as a whole. Responding to those developments, the ECB plans to wind down its bond purchase programs by the end of the year, but it intends to maintain zero interest rates through next summer. A huge effort made by the euro area governments to consolidate their public sector accounts has made the ECB's job easier and more effective. There is now the possibility to loosen up the fiscal restraint in a number of countries (Germany, the Netherlands and some smaller economies) to support economic growth, even as the ECB begins to withdraw some of its extraordinary accommodation. And in case of any weakening of external demand, the fiscal and monetary policies in the euro area have enough room to offset that with stronger domestic spending.

The Fed and the ECB have a particular responsibility to keep the American and European economies growing in an environment of stable financial markets. By doing that, they would also make an essential contribution to global prosperity and to the unquestioned preeminence of the Western world order. Only if they failed to live up to that difficult task, would the current fretting about pervasive sanctions and trade tariffs become a real threat to jobs, incomes and asset values. The Fed is facing a delicate situation. Rising inflation in an economy pushing against its physical limits to growth will be difficult to control. But tolerating an accelerating inflation is not an option. Properly timed and credible monetary policy restraint is necessary to anchor inflation expectations and tame growing capacity pressures in labor and product markets. Otherwise, a needlessly delayed policy action may have to be much stronger and more damaging to growth and employment. The ECB is in a much better position. The euro area has a very low core rate of consumer price inflation, virtually balanced budgets, huge trade surpluses and the euro's strengthening trade-weighted exchange rate. The extraordinary monetary easing is being scaled back, but there is still plenty of virtually free and abundant credit in the system that could be combined with a fiscal stimulus to maintain growth and to respond to any weakening of external demand.

Investors haven't been this scared about the state of the global economy in nearly 7 years

CNBC, *19.09.2018*

As the trade war between China and the U.S. hits a boiling point, investors are taking their dimmest view of the global economy since the height of the European debt crisis.

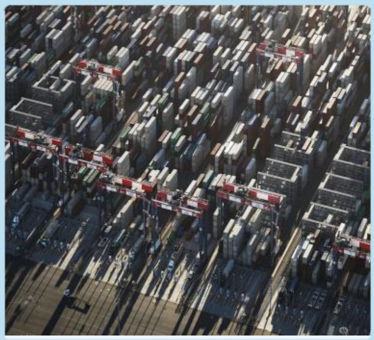
The tariff tensions aren't the only thing bothering market pros: They also see rising risks from both a general slowdown in China as well as central banks finally shutting off the monetary spigots after years of ultra-accommodative policy. Broadly speaking, pessimism about the global economy is at its highest point since December 2011, according to the Bank of America Merrill Lynch Fund Manager Survey for September.

A net 24 percent expect global growth to slow down over the next 12 months, a steep rise from the net 7 percent the month before. The fears are showing up in portfolio movements. Cash is at 5.1 percent, the highest allocation in 18 months. "Investors are holding on to more cash, telling us they are bearish growth and bullish US decoupling," Michael Hartnett, chief investment strategist of BofAML, said in a statement. "Fund managers are signalling that they are starting to price in a hawkish Fed." The movement to cash and equivalents has been significant. Money market funds were holding $2.84 trillion through July, an increase of 7.1 percent from the same point a year ago, according to the Investment Company Institute. Taxable bond mutual funds had assets of $3.46 trillion, a 12-month rise of 5.7 percent. The "decoupling" reference is about how the U.S. has managed to maintain economic growth levels above most of the developed world. GDP rose 4.2 percent in the second quarter, and the Atlanta Fed projects a 4.4 percent increase in the third quarter. CNBC's Rapid Update economist survey, however, points to a more subdued 3.2 percent increase.

A net 48 percent of respondents think the decoupling trend will stop because the U.S. economy will decelerate in line with its neighbors. Part of that trend is centered on the belief that the Fed will continue raising interest rates amid concerns that growth and inflation could be getting out of hand. However, that hasn't necessarily soured investors on U.S. stocks. Allocation to the American market rose by 2 percentage points to a net 21 percent overweight, the biggest reading since January 2015. U.S. stocks were the most preferred global market for the second month in a row; allocation to global stocks fell to near an 18-month low. That comes even though the biggest fear, cited by 43 percent of respondents, is the trade war. The U.S. and China are amid a back-and-forth battle that has seen the White House order 10 percent tariffs on $200 billion in Chinese goods and China retaliating with $60 billion worth of duties set to go into effect next week. A China slowdown was cited by 18 percent of respondents, while 15 percent cited "quantitative tightening," a reversal of the program of quantitative easing.

China’s premier appeals for free trade amid tariff battle

CNBC, *19.09.2018*



China’s No. 2 leader appealed on Sept. 19 for support for free trade and promised to improve conditions for foreign companies following tit-for-tat U.S. and Chinese tariff hikes in an escalating battle over Beijing’s technology policy.

Premier Li Keqiang’s comments add to Beijing’s effort to portray itself as a defender of global trade and multilateralism in the face of complaints by Washington and other trading partners about industry policies they say violate its market-opening commitments. Speaking at a business conference, Li made no direct mention of the dispute.

But appealed to governments to resolve disputes through negotiation and reject unilateralism. “It is essential that we uphold the basic principles of multilateralism and free trade,” the premier said in a speech at the World Economic Forum in the eastern city of Tianjin. Disputes “need to be worked out through consultation,” Li said. “No unilateralism will offer a viable solution.” China announced a tariff hike on $60 billion of American imports on Sept. 18 in response to U.S. President Donald Trump’s increase on $200 billion of Chinese goods. The Finance Ministry said its tariff increases are aimed at curbing “trade friction” and the “unilateralism and protectionism of the United States.” There was no word on whether China would back out of trade talks it said it was invited to by the U.S., but a Chinese Commerce Ministry statement said the U.S. increase “brings new uncertainty to the consultations.”

The two countries have already imposed import taxes on $50 billion worth of each other’s goods. President Donald Trump threatened to add an additional $267 billion in Chinese imports to the target list if China retaliated for the latest U.S. taxes. That would raise the total affected by U.S. penalties to $517 billion, covering nearly everything China sells to the United States. Li indirectly acknowledged complaints about global trade regulation and affirmed Chinese support for reforms. U.S. officials have criticized the World Trade Organization, the global trade regulator, as antiquated and unable to deal with Chinese-style industrial policies. Beijing agreed this year to join an initiative with the European Union to propose possible reforms. “We believe we need to uphold the basic international rules and at the same time make improvements to those that need to keep pace with the times,” Li said. Li promised Beijing will refrain from weakening its currency to stimulate exports. China’s tightly controlled yuan fell in value against the dollar this year, prompting suggestions Beijing was intentionally depressing its exchange rate, but the central bank has intervened in recent weeks to put a floor under the declined.

“China will never go down the path of stimulating exports by devaluing its currency,” Li said. “China will create conditions for keeping the value of the yuan stable.” The premier also promised to “improve the business environment” for foreign companies. He affirmed promises to treat companies equally - a condition to which China committed when it joined the WTO in 2001 but that foreign business groups and governments say it regularly violates. The EU filed a WTO challenge in June to Chinese rules on technology licensing that it said give local companies an unfair advantage. “We will make sure that all companies, be they Chinese- or foreign-owned, so long as they are registered in China, will be treated as equals,” Li said.

Trump weighing permanent military base in Poland

Anadolu Agency, *18.09.2018*

U.S. President Donald Trump said Tuesday he is considering the establishment of a permanent military base in Poland after Warsaw offered to give Washington more than $2 billion to set up the facility.

"Poland is willing to make a very major contribution to the United States to come in and have a presence in Poland. If they're willing to do that, it's something we will certainly talk about," Trump said before sitting down with his Polish counterpart, Andrzej Duda, for bilateral talks at the White House.

NATO ally Poland has sought a permanent U.S. military base on its territory for more than two decades, mostly over concerns about Russia. Duda said the base he is proposing would be named "Fort Trump," and said he firmly believes it is possible. "I am convinced that such a decision lies both in the Polish interest as well as in the interest of the United States." "Poland is an attractive country. And first and foremost, it's got a very important strategic location in Europe. And I'm convinced that for the interests of the United States, also pertaining to the security of the United States itself, the presence of the U.S. forces in our country is important," Duda said during a joint news conference with Trump. "The presence of the U.S. armed forces in this area is absolutely justified," added Duda. Concerns in eastern Europe about Russia have been heightened since Moscow invaded and later annexed the Crimean Peninsula from Ukraine in 2014. And Moscow continues to prop up separatists in the east of the country. Addressing the strategic importance of the potential military base vis-a-via Russia, Trump said Moscow has "acted aggressively." "They respect force, they respect strength, as anyone does," he said, before touting increased U.S. defense spending under his presidency. "We have enhanced, to put it mildly, our military," he said.

Trump slams China after imposing new tariffs

NewYork Times, *18.09.2018*

U.S. President Donald Trump slammed China on Tuesday for imposing tariffs on American goods, claiming Beijing is trying to influence congressional elections in November.

"China has openly stated that they are actively trying to impact and change our election by attacking our farmers, ranchers and industrial workers because of their loyalty to me," Trump wrote on Twitter. It would begin imposing 10 percent tariffs on Chinese goods worth $200 billion starting next week, adding the rate of tariffs will rise to 25% on Jan. 1. Beijing quickly retaliated by announcing it would implement 5 – 10% tariffs on $60 billion worth of American goods.

China said it has filed a complaint to the World Trade Organization (WTO) against the U.S. Beijing will look for permission from the WTO to impose additional sanctions against the U.S. on Friday. Since some of Beijing's tariffs target American agriculture goods, it is important for Trump to resolve the trade dispute with China quickly, or he will risk losing Republican farmers and ranchers' votes in the midterm elections. Trump said in his tweet, American farmers, ranchers and industrial workers are "great patriots", and claimed they support his stance against China. "They also know that I am the one that knows how to stop it. There will be great and fast economic retaliation against China if our farmers, ranchers and/or industrial workers are targeted!" he added. In announcing the $200 billion tariffs, Trump also threatened to impose an additional $267 billion worth of tariffs if Beijing takes retaliatory action against American farmers or other industries.

Protectionism harmful in long term: State bank CEO

Washington Times, *20.09.2018*

The U.S. on Thursday blacklisted 33 Russian officials and entities associated with Moscow's defense and intelligence industries.

The action effectively makes any person who conducts a "significant transaction" with the designated individuals the target of automatic U.S. sanctions following a sweeping sanctions bill passed by Congress in 2017. That bill, known as the Countering America's Adversaries Through Sanctions Act (CAATSA), authorizes the president to take economic measures against Russia and other countries.

All of the Russian individuals and entities have been added to CAATSA's sanctions list. U.S. President Donald Trump earlier Thursday signed an executive order authorizing Secretary of State Mike Pompeo and Treasury Secretary Steven Mnuchin to take actions to further implement the act. Pompeo did so, imposing economic penalties on Chinese arms procurer Equipment Development Department (EDD) and its director, Li Shangfu for engaging in "significant transactions" with Russia's main arms export body, Rosoboronexport. The firm had earlier been designated under U.S. law. The State Department said EDD was involved in Russia's transfer of Su-35 combat aircraft and S-400 surface-to-air missile system-related equipment. The sanctions imposed on EDD include a denial of export licenses for the firm, and freezing any of Li's assets subject to U.S. jurisdiction, as well as imposing a visa ban on him. "We will continue to vigorously implement CAATSA and urge all countries to curtail relationships with Russia's defense and intelligence sectors, both of which are linked to malign activities worldwide," State Department spokeswoman Heather Nauert said in a statement.

Announcements & Reports

► *Must the Energy Transition Be Slow? Not Necessarily*

Source : Chathom Houese
Weblink : https://www.csis.org/analysis/must-energy-transition-be-slow-not-necessarily

► *The Insurgent Sanctuary in Pakistan*

Source : OIES
Weblink : https://www.csis.org/analysis/insurgent-sanctuary-pakistan

Upcoming Events

► *Managing the Real and Perceived Challenges Facing the World*

Date : 24 September 2018
Place : London
Website : https://www.chathamhouse.org/event/managing-real-and-perceived-challenges-facing-world

► *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

► *Cybersecurity in the Commonwealth: Supporting Economic and Social Development and Rights Online*

Date : 04 October 2018
Place : CSIS Headquarter
Website : https://www.chathamhouse.org/event/cybersecurity-commonwealth-supporting-economic-and-social-development-and-rights-online

► *The Asian Financial Crisis: Indonesia's Recovery 20 Years On*

Date : 04 October 2018
Place : CSIS Headquarter
Website : https://www.chathamhouse.org/event/asian-financial-crisis-indonesia-s-recovery-20-years

► *Talking to North Korea: Ending the Nuclear Standoff?*

Date : 09 October 2018
Place : CSIS Headquarter
Website : https://www.chathamhouse.org/event/talking-north-korea-ending-nuclear-standoff

► *Climate Change 2018*

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

► *The G20: Benefits, Limitations and the Future of Global Club Governance*

Date : 23 October 2018
Place : London
Website : https://www.chathamhouse.org/event/g20-benefits-limitations-and-future-global-club-governance

► *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

► *Illicit Financial Flows 2018*

Date : 19 November 2018
Place : London
Website : https://www.chathamhouse.org/conferences/illicit-financial-flows-2018

► *From Growth to Sustainable Prosperity*

Date : 21 November 2018
Place : London
Website : https://www.chathamhouse.org/event/growth-sustainable-prosperity