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EU: Countermeasures over 'unacceptable' US tariff threat planned

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GULF TIMES BUSINESS

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BYD aims to triple Saudi footprint after Tesla enters kingdom's market

Commercial Bank named 'Best Performing Bank' in Qatar

Commercial Bank, a leader in innovative digital banking solutions, has been named the Best Performing Bank in Qatar in *The Banker*'s prestigious Top 1000 World Banks Rankings 2025.

The bank also earned recognition as one of the Top 3 Highest Movers in the Middle East, reflecting significant year-on-year performance growth.

Published annually by *The Banker* magazine, the Top 1000 World Banks is the definitive global benchmark for banking excellence, and by far the largest and most important edition of the year. The rankings are based on audited year-end financials and Tier 1 capital strength, making this recognition.

"This recognition marks a significant milestone in our journey and stands as a strong testament to the bank's solid capital foundation, disciplined strategic execution, and operational resilience," said Joseph Abraham, Group chief executive officer of Commercial Bank.

"It reflects the collective dedication of our team, the trust of our clients, and the continued support of our stakeholders. We are proud to represent Qatar on the global stage and to be ranked among the region's top-performing banks. This achievement further reinforces our commitment to delivering sustainable value and driving long-term growth," he added.

The 2025 edition, based on audited financial results as of December 31, 2024, marks the first global rankings release reflecting end-of-year data. It highlights not only the Commercial Bank's strong fundamentals, but also its strategic progress across key areas such as digital transformation, customer service, and market leadership.

Commercial Bank, a leader in innovative digital banking solutions, has been named the Best Performing Bank in Qatar in The Banker's Top 1000 World Banks Rankings

Dukhan Bank wins 'Best Digital Transformation Initiative in Mena' at MEED's Banking Excellence Awards 2025

Dukhan Bank has been named the winner of the 'Best Digital Transformation Initiative in Mena' (Middle East and North Africa) at the MEED Retail, Digital and SME Banking Awards 2025.

This regional honour highlights the bank's strategic success in delivering seamless, secure, and Shariah-compliant digital banking experiences that meet the evolving needs of today's customers.

The award recognises Dukhan Bank's enhanced mobile banking experience, driven by a seamless app interface and a suite of integrated digital services. These include real-time pre-approved finance, instant digital card issuance, and hyper-personalised and card-linked offers tailored to customer behaviour and preferences.

Dukhan Bank is also the first bank in Qatar to issue digital-first prepaid cards, fully compatible with Apple Pay, Google Pay, and other leading digital wallets.

"This award reflects the trust our clients place in Dukhan Bank and our commitment to delivering digital experiences that are not only smart and seamless, but also rooted in Shariah principles. As we continue to enhance our platforms and services, our focus remains on creating real, personalised value for our customers, and on building a brand that leads with purpose and innovation," said Talal Ahmed al-Khaja, Chief Marketing and Communications Officer of Dukhan Bank.

The bank's digital evolution also includes the rollout of Smart Kiosks for 24/7 card printing, as well as DAwards, a loyalty platform offering the highest Avios redemption rate in Qatar and personalised cash bonus offers.

This recognition from MEED further reinforces Dukhan Bank's leadership in Islamic digital banking, following a string of accolades including "Qatar's Best Bank for Consumers" by *Euromoney* and "Best Islamic Financial Institution in Qatar" by *Global Finance*.

The award recognises Dukhan Bank's enhanced mobile banking experience, driven by a seamless app interface and a suite of integrated digital services

Doha Bank H1 net profit jumps 8.1% to QR467mn

Doha Bank has reported an 8.1% year-on-year increase in net profit to QR467mn in the first half of this year.

Total assets reached QR123bn in January-June 2025, representing a growth of 16.2% on an annualised basis, said Sheikh Fahad bin Mohammad bin Jabor al-Thani, Doha Bank Chairman.

Net loans and advances amounted to QR60bn, a 1.7% increase over the previous year. Customer deposit deposits stood at QR50.9bn compared to QR51.6bn, a marginal decrease of 1.2%, while the overall liquidity remains "strong", according to him.

"The bank continues to demonstrate strength in capital and liquidity metrics. Our common equity Tier 1 (CET1) ratio stands at 13.13%, while the total capital adequacy ratio is robust at 19.19%," said Sheikh Abdul Rahman bin Mohammad bin Jabor al-Thani, Managing Director, Doha Bank.

The loan-to-deposit ratio is 90.80%, which is comfortably within regulatory thresholds, he said, adding the bank has also improved its funding structure, positioning it to support anticipated lending growth.

"Our liquidity coverage ratio is strong at 350.7% compared to 168% at year-end, and our total shareholders' equity reached QR14.9bn, marking a 1.6% increase year-on-year," he said.

Sheikh Abdulrahman bin Fahad bin Faisal al-Thani, Doha Bank Group Chief Executive Officer, highlighted the successful closing of the bank's debut euro-denominated syndicated loan during the second quarter (Q2).

Highlighting its €500mn three-year syndicated term loan; he said: "This transaction was a significant step in diversifying our funding sources and currency base. Impressively, 56% of the lenders were new to Doha Bank, underscoring growing international investor confidence in our credit profile."

During Q2-2025, Doha Bank had partnered with Blackstone to offer private capital strategies to Qatari investors, enhancing investment solutions for institutional and high-net-worth clients. The board had approved a proposal to repurchase up to 10% of fully paid-up shares, subject to regulatory approvals.

From Left: Sheikh Fahad bin Mohammad bin Jabor al-Thani, Doha Bank Chairman; Sheikh Abdul Rahman bin Mohammad bin Jabor al-Thani, Managing Director; and Sheikh Abdulrahman bin Fahad bin Faisal al-Thani, Chief Executive Officer.

QFC, ILO urge multi-pronged strategy to boost Qatar financial sector

By Santhosh V Perumal
Business Reporter

A multi-pronged strategy - which includes strong industry-academia collaboration, targeted upskilling and reskilling and enhanced workforce inclusion - has been recommended by the Qatar Financial Centre and the International Labour Organisation (ILO) to strengthen the competitiveness and sustainable growth of Qatar's financial sector.

Stressing that bridging the gap between education and labour market needs requires more than ad hoc co-ordination; the joint report of the QFC and the ILO suggested that relevant stakeholders must institutionalise co-operation mechanisms to ensure sustained alignment of supply and demand.

In this regard, it said there is a need to establish structured engagement platforms involving QFC, financial institutions such as the Qatar Investment Authority, local banks, universities, and training providers to co-design curricula that reflect industry needs, especially in fintech, risk management, and data analytics.

Highlighting the need for leveraging the newly established Financial Sectoral Council as the formal co-ordination body for this dialogue; the report said with representation from the Ministry of Labour, Ministry of Education and Higher Education, Qatar's universities, Qatar Career Development Center, and other key stakeholders, the council can lead on defining skills priorities, setting qualification frameworks, and overseeing workforce planning.

It suggested expanding joint academic-industry programmes, including dual education pathways, executive education courses, and industry-endorsed certification programmes.

There is a need to ensure frequent curriculum reviews are aligned with evolving global trends, regulatory shifts, and digital transformation in the financial sector as well as to promote applied research collaborations among academia, industry, government, and global organisations to support evidence-based policymaking and innovation.

Elaborating on the targeted upskilling and reskilling programmes; the joint report suggested addressing skills deficiencies and preparing the workforce for technological advancements, targeted training initiatives should be prioritised on high-impact areas.

It recommended incentivising firms to adopt structured in-house training programmes, particularly for mid-career professionals, possibly through cost-sharing schemes; and designing modular training programmes tailored to support various stages of professional development, entry-level, midcareer, and senior leadership, with a focus on digital skills, regulatory compliance, and financial innovation.

It also suggested improving Arabic proficiency among technical professionals through bilingual training to enhance communication and inclusion; and integrating mentorship and leadership development frameworks, especially for women and Qatari talent, to enhance retention and progression to senior roles.

The QFC-ILO report suggested partnering with global institutions to deliver specialised programmes on emerging technologies and areas such as AI (artificial intelligence), business intelligence tools, blockchain, cybersecurity, and ESG (environmental, social and governance) finance.

On enhancing workforce inclusion; it suggested fostering an inclusive workforce, promoting a diverse participation within the workforce is essential for long-term sustainability and competitiveness.

There is a need to design targeted recruitment campaigns for underrepresented groups, particularly women, highlighting career pathways, flexible working options, and purpose-driven roles in finance; expand access to scholarships, internships, and entry level programmes for women and young Qataris, building early exposure to financial sector careers; and establish inclusive leadership and mentoring programmes that reflect gender-sensitive approaches and support retention.

There is also a need to create sector-specific incentives, such as in-work benefits, career development programmes, and flexible work models, to attract and retain national talent in high demand areas; and develop internal mobility frameworks within QFC institutions to support progression and reduce turnover.

BUSINESS

China's imports of Iran crude at three-month high: Vortexa

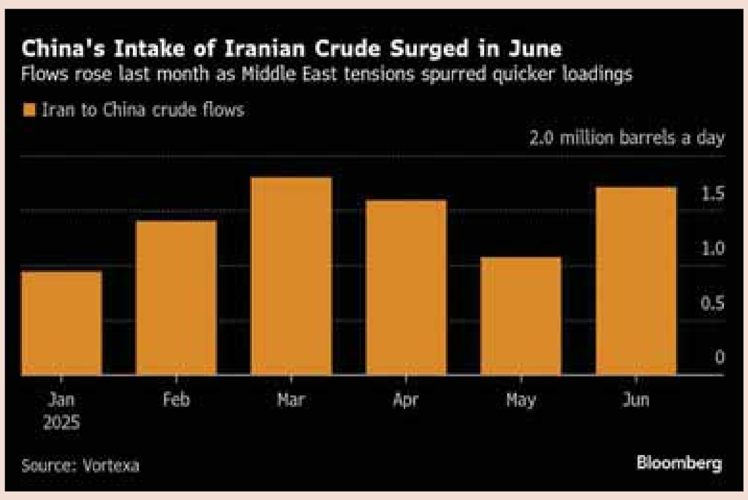
Bloomberg
London

China's purchases of Iranian crude rose in June to the highest since March's record levels, in part because of speedier loadings as sellers sought to avoid getting tangled in the country's conflict with Israel, according to data from Vortexa Ltd. Imports rose sharply to over 1.7mn barrels a day last month, compared with 1.1mn in May, the analytics firm said in a note. A surge in early June — just prior to Israel's strike on Iran — pushed loadings to 2.5mn barrels a day in the first 12 days of the month.

"What June data reveals is a faster and more flexible workaround to secure feedstock in the face of perceived supply disruptions," said Emma Li, a senior market analyst at Vortexa. "Ongoing US tanker sanctions are unlikely to halt Iranian oil flows."

The trend, however, isn't expected to hold up into July, Li said, with crude-processing rates at major Chinese independent refineries under pressure. Average run rates at the so-called teapots, vital buyers of sanctioned oil, are currently around 46%, according to data from Mysteel Oilchem.

Still, the sector's thin margins and ample onshore and floating stockpiles of Iranian crude are giving private refiners "greater leverage to negotiate deeper discounts," Li said. Offers for Iranian crude are now around \$4 a barrel below Brent futures, versus \$2 a barrel in May, she said.



BYD aims to triple Saudi footprint after Tesla enters the market

Bloomberg
Riyadh

Chinese automaker BYD Co plans to ramp up its expansion efforts in Saudi Arabia, building on momentum from Tesla Inc's launch in the country and capitalising on the kingdom's push to become a new hub for electric cars.

BYD, which launched in Saudi Arabia last year and currently runs three showrooms there, aims to open another seven locations by the second half of 2026, according to Jerome Saigot, managing director for Saudi Arabia.

The firm expects to sell more than 5,000 vehicles this year in the kingdom, a drop in the bucket for BYD's overall sales but sizeable in a market where gas-guzzling cars dominate the roads and EV adoption has been slow going.

"Saudi is a complex market. You need to go fast. You need to think big," Saigot said in an interview with Bloomberg. "We are not here to stay at five or ten thousand cars a year."

Saudi Arabia is investing heavily in the EV industry through its Public Investment Fund as part of a broader strategy to cut emissions, curb auto imports and diversify the local economy. The PIF has backed Lucid Motors as the automaker works on building Saudi's first auto manufacturing plant. It has also created its own EV brand known as Ceer and started a JV to build out EV charging stations.

The BYD Atto 3 EV car is displayed at a motor expo in Bangkok, Thailand. BYD, which launched in Saudi Arabia last year and currently runs three showrooms there, aims to open another seven locations by the second half of 2026, according to Jerome Saigot, managing director for Saudi Arabia.

Still, electric cars account for just over 1% of total car sales in the kingdom, with high costs, sparse charging infrastructure and extreme temperatures factors challenging EV adoption, according to PwC.

Tesla opened its first showroom in Riyadh in April, joining automakers including BYD and Geely in trying to gain a foothold in the market. BYD's Saigot sees the move as beneficial, with Tesla helping to raise EV awareness.

"The more Tesla communicates on marketing, the better it is for us," said Saigot, who started at BYD in April after serving in previous roles at Nissan Motor Co and Great Wall Motor Co Ltd. BYD has been gaining ground on Tesla in recent months. The Chinese automaker sold more fully electric cars in Europe than Elon Musk's firm for the first time ever in April. Some analysts now predict BYD will pull ahead of Tesla globally for the full year.

Wizz Air exits Abu Dhabi operations to keep costs in check

Bloomberg
Dubai

Five weeks after Wizz Air Holdings Plc suffered its worst-ever stock drop as investors recoiled from rising costs, Chief Executive Officer Jozsef Varadi is putting on the brakes.

The Hungarian airline said it's suspending its Abu Dhabi operations after more than half a decade amid persistent engine issues that have grounded aircraft, as well as geopolitical challenges and regulatory barriers.

Wizz is also reviewing its aircraft needs with Airbus SE, particularly the long-range A321XRL model that has just begun entering the fleet.

"The more we operate in Abu Dhabi, the more engines we have to ground" because of the hot and harsh environment, Varadi said in an interview yesterday. The decision to exit the joint venture and cut local flights from September 1 will improve profitability because more aircraft will become available to deploy elsewhere, he said.

Wizz has come under intense pressure to review its cost base following a stock implosion early last month in the wake of an earnings report that revealed high expenses. Wizz has suffered from prolonged maintenance issues with Pratt & Whitney engines that have grounded dozens of aircraft in its all-Airbus SE fleet, and Varadi said last month that the airline would reduce flights in hotter environments.

The budget carrier reported in June that that it expects slightly higher costs in fiscal 2026 because of jet groundings, retirement of older aircraft and lag time of airport cost improvement. The results sent shares plummeting as much as 29%.

ADCB reports 11% jump in Q2 profit

Abu Dhabi Commercial Bank (ADCB) reported net income of 2.57bn dirhams (\$699.7mn) for the second quarter yesterday, up 10.7% from the prior-year period, beating analyst expectations, reports Reuters.

Analysts had expected ADCB's second-quarter profit at 2.33bn dirhams, according to LSEG data.

The bank reported a net profit of 2.32bn dirhams in the quarter ended June 30 last year.

ADCB is the third-largest bank by assets in the United Arab Emirates and majority-owned by the government-run Abu Dhabi Investment Council.

"Balance sheet growth remains strong amid healthy consumer and business confidence and ample system liquidity," the bank said in a statement. Key growth areas included energy, trading, financial institutions, transport and communication.

The bank said non-interest income, which jumped 44% in the quarter compared to last year, continued to be a key driver for growth.

Total assets also grew, rising 17% year-on-year to 719bn dirhams. Net loans grew 14% and deposits increased 19%. Shares in ADCB are up about 36% year-to-date.

Bloomberg QuickTake Q&A

How Bulgaria got to join euro, and what it means

By Slav Okov

Eighteen years after Bulgaria joined the European Union, the bloc's finance ministers have finally cleared the way for it to adopt the euro currency in January 2026. The south-east European country would become only the second nation to join the euro in the past decade, after Croatia. Successive Bulgarian governments have overseen preparations for the change in the hope it will narrow a wide income gap with wealthier member states.

Anti-establishment groups including the pro-Russia and nationalist Revival party have dismissed euro adoption as an abandonment of sovereignty. Some other EU governments have been wary of admitting new members to the euro area since the Greek debt crisis erupted in 2009 and money-laundering scandals engulfed banks in the Baltic states.

Many were keen to welcome Bulgaria, viewing it as a vote of confidence in the European project at a time of economic and geopolitical turbulence.

Why does Bulgaria want to join the euro?

Bulgaria started working toward euro membership soon after it joined the EU in 2007, as required under its accession treaty. It put those efforts on hold three years later amid Europe's sovereign debt crisis, which nearly bankrupted neighbouring Greece and some other euro-area countries.

In a renewed push since 2016, the government in Sofia has said that adopting the euro would help the Balkan country avoid being sidelined in the EU's decision-making process and further integrate its export-oriented economy into the bloc.

Since a hyperinflation crisis in the 1990s, Bulgaria has operated under a so-called currency board arrangement — a form of pegged exchange rate that ties its lev to the euro. This means that the country's monetary policy is already reliant on the decisions of the European Central Bank.

What could the euro do for Bulgaria's economy?

Bulgaria's government and central bank have argued that adopting the euro would reduce transaction costs, lower interest rates and improve the nation's credit rating. This could boost foreign investment, which has been weakened by political instability and concerns about the rule of law. Bulgaria is ranked as the EU's second-most corrupt state, according to an assessment by Transparency International.

The banking and financial sector is set to benefit the most, followed by industry, which will gain from eliminating exchange costs in trade with the euro area, according to an analysis by the country's Fiscal Council.

Adopting the euro would also help Bulgarian tourism, which contributes more than 6% of national economic output, in part by eliminating the need for many visitors to exchange currencies.

Some Bulgarian economic experts have been sceptical of euro adoption, warning it will leave the country exposed to poor ECB policy making and to structural problems within the euro area, some of whose member states are struggling with high levels of debt.

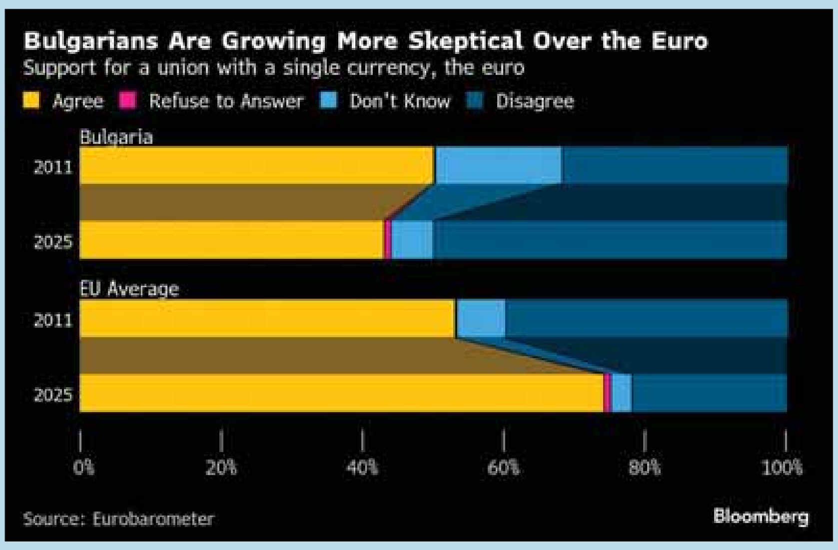
What's the political debate in Bulgaria over joining the euro?

Revival — the third-largest party in parliament — has called for a referendum on the topic and supported street protests against the currency switch. The call for a vote on euro adoption was rejected last year by the country's Constitutional Court, despite the support of more than 470,000 people, on the grounds that the issue had already been settled by Bulgaria's EU membership treaty, which was approved by an overwhelming majority in parliament.

President Rumen Radev proposed a referendum on the precise date of euro adoption, but his request was rejected by parliament speaker Nataliya Kiselova, who said it violated Bulgaria's constitution and a range of EU treaties. Radev, a former air force pilot who's accused by political opponents of being a stooge for Moscow, has argued that Bulgaria's economy is ill-prepared to shoulder euro membership and that it will deepen poverty.

How does the Bulgarian public feel about it?

It's a divisive issue, as many people fear the currency change could boost inflation. Half of Bulgarians are against economic and monetary union — more than twice the average level of opposition in the EU, according to a Eurobarometer survey published in May.



Inflation fears aren't unusual for new euro members. In Latvia, half the population opposed the switch for similar reasons when the country joined the currency in 2014.

What has Bulgaria done to prepare for the euro?

Following a national banking crisis in 2014, Bulgaria strengthened its financial supervision so that it could join the EU's banking union and ERM-2 exchange-rate mechanism. Lawmakers updated the legal framework governing the Bulgarian central bank after the ECB pointed out a list of shortcomings.

For years, Bulgaria has kept its budget deficit and borrowing well within the EU's requirements. It has one of the lowest levels of debt in relation to gross domestic product in the bloc. The country also managed to bring inflation within the EU's target limits in early 2025 after Russia's full-scale invasion of Ukraine triggered a spike in prices.

In June, both the European Commission and the ECB said Bulgaria has now met the bloc's nominal convergence criteria that determine whether a country's economy is prepared for single-currency adoption and invited it to join the euro zone in 2026.

However, the ECB noted in a convergence report that Bulgaria's government still needed to accelerate efforts to fulfil the requirements of the Financial Action Task Force, a global anti-money laundering body that put Bulgaria on a gray list in 2023. However, this isn't a formal requirement for euro adoption.

While Bulgaria has kept its budgets tight and debt low in the run-up to euro adoption, some economists are warning that it'll be hard for the government to maintain the budget deficit within the EU's 3% limit in the next few years.

What's left to do before Bulgaria can join the euro?

The decision of the EU finance ministers on July 8 that pegged the currency conversion rate at the current lev-euro level, was the last formal step in the process. From August, shops in Bulgaria will be required to show all prices in both euros and lev as the country's central bank works to secure the necessary coins and banknotes.

Big retail chains have already started publishing prices in euros, while many banks lifted their fees on depositing money in lev, urging people to put in their cash savings earlier to avoid queues. All deposits will then be converted automatically in January.

What could Bulgarian euro adoption mean for the ECB?

Entering the currency union would mean Bulgaria's central bank gets a seat on the ECB's rate-setting Governing Council, regaining some agency over monetary policy. In line with common practice, the ECB may invite the Bulgarian central bank governor, Dimitar Radev, as an observer to its council meetings before he becomes a full-fledged member next year.

Radev was previously an economist at the International Monetary Fund and took up the head post at Bulgaria's central bank a decade ago as the country was recovering from its banking crisis. While he's largely avoided public comments that could paint his views on policy as especially hawkish or dovish, a person familiar with his thinking described his stance as conservative.

Is there a risk that Bulgaria could change its mind?

There's been a wave of popular dissatisfaction with the establishment parties that led the push for euro adoption, with mass anti-corruption protests triggering seven successive elections since 2021 that failed to produce a stable majority. But an overwhelming majority of lawmakers in the current parliament still support the shift.

Who else wants to join the euro area?

EU statutes oblige member states to join the euro, but some have batted the issue away for another day.

Romania has expressed an interest, but no longer has an official target date and is struggling to reduce a budget shortfall that topped 9% last year. Poland, the Czech Republic and Hungary have been reluctant to take the formal steps, saying that preserving an independent monetary policy is vital for them, especially during economic crises. Denmark — which secured an opt-out before the advent of the euro — and Sweden aren't budging either.

US tariff tension weakens QSE sentiments as index falls

By Santhosh V Perumal
Business Reporter

The continuing US tariff tension played spoilsport in the Qatar Stock Exchange (QSE), which saw an across the board selling, leading to 61 points decline in the key index and more than QR3bn erosion in capitalisation.
The foreign funds were seen net profit takers as the 20-stock Qatar Index shed 0.56% to 10,769.65 points, although it touched an intraday high of 10,822 points.
The transport and telecom counters witnessed higher than average selling pressure in the main market, whose year-to-date gains truncated to 1.88%.
More than 60% of the traded constituents were in the red in the main bourse, whose capitalisation melted QR3.28bn or 0.51% to QR636.64bn mainly on small and microcap segments. The domestic institutions turned bearish in the main market, which saw mere 598 exchange traded funds (sponsored by AlRayan Bank) valued at QR1,358 trade across one deal.
The foreign individuals were seen net sellers but with lesser intensity in the main bourse, whose trade turnover grew amidst lower volumes.
The Islamic index was seen declining slower than the other indices of the main market, which saw no trading of treasury bills.
However, the local retail investors turned net buyers in the main bourse, which saw as many as 0.1mn sovereign bonds valued at QR1.05bn change hands across two transactions.
The Total Return Index shed 0.56% and the All Islamic Index by 0.35% and the All Share Index by 0.52% in the main market.
The transport sector index shrank

The foreign funds were seen net profit takers as the 20-stock Qatar Index shed 0.56% to 10,769.65 points yesterday, although it touched an intraday high of 10,822 points

0.81%, telecom (0.68%), banks and financial services (0.56%), insurance (0.41%), industrials (0.39%), consumer goods and services (0.3%) and real estate (0.29%). Major losers in the main market included Meeza, Qatar Cinema and Film Distribution, Mannai Corporation, Qatar Oman Investment, Doha Bank, Qatar Islamic Bank, Al Faleh Educational Holding, Industries Qatar, Ezdan, Barwa, Ooredoo, Vodafone Qatar, Nakilat and Gulf Warehousing. In the junior bourse, Techno Q saw its shares depreciate in value.
Nevertheless, Ahlibank Qatar, Estithmar Holding, Al Mahhar Holding, Al Meera and Widam Food were among the gainers in the main market.
The foreign institutions turned net sellers to the tune of QR12.97mn compared with net buyers of QR27.43mn the previous day.
The domestic funds were net profit takers to the extent of QR12.5mn against net buyers of QR1.74mn on July 11.
The foreign individual investors turned net sellers to the tune of QR0.39mn compared with net buyers of QR1.48mn on Sunday.
However, the Gulf institutions turned net buyers to the tune of QR17.08mn against net sellers of QR2.06mn the previous day.
The Qatari individuals were net buyers to the extent of QR9.24mn compared with net sellers of QR23.72mn on July 11.
The Arab individuals' net profit booking weakened substantially to QR0.44mn against QR3.74mn on Sunday.
The Gulf retail investors' net selling decreased noticeably to QR0.02mn compared to QR1.12mn the previous day.
The Arab institutions had no major net exposure for the fourth consecutive session. The main market saw 3% shrinkage in trade volumes to 101mn shares but on 24% jump in value to QR345.69mn and 57% in deals to 20,634.
In the venture market, a total of 0.23mn equities valued at QR0.63mn changed hands across 27 transactions.

EU threatens to take countermeasures over 'unacceptable' US tariffs

Reuters
Brussels/Washington

The European Union yesterday accused the US of resisting efforts to strike a trade deal and warned of countermeasures if no agreement is reached to avoid the punishing tariffs President Donald Trump has threatened to impose starting on August 1.

Trump, meanwhile, said he was open to further discussions with the EU and other trading partners before new 30% tariffs kick in next month and that EU officials would be coming to the US for negotiations.

"They would like to do a different kind of a deal and we're always open to talk, including to Europe," he told reporters in the Oval Office. "In fact, they're coming over. They'd like to talk."
Trump stepped up his trade war on Saturday, saying he would impose a 30% tariff on most imports from the EU and Mexico next month, following similar warnings for other countries including Asian economic powerhouses Japan and South Korea.

The EU has so far held off on retaliatory measures to avoid a spiralling tit-for-tat escalation while there remains a chance of negotiating an improved outcome. But EU ministers emerging from a meeting in Brussels on Monday appeared closer to striking back.

Speaking at a news conference following the meeting, Danish Foreign Minister Lars Lokke Rasmussen called the tariff threat "absolutely unacceptable."

EU Trade Chief Maros Sefcovic said he believed there was "still a potential to continue the negotiations" but voiced frustration with Washington's failure to agree to a deal with its largest trading partner.

EU Trade Chief Maros Sefcovic said he believed there was "still a potential to continue the negotiations" but voiced frustration with Washington's failure to agree to a deal with its largest trading partner.

"As I said before, it takes two hands to clap," he said, adding that EU member states agreed that the 27-nation bloc would need to take countermeasures if the trade negotiations with the US fail.

Italy's Foreign Minister Antonio Tajani earlier said the EU had already prepared a list of tariffs worth 21bn euros ($24.5bn) on US goods if the two sides fail to reach a deal. Meanwhile, Mexican President Claudia Sheinbaum said yesterday that she believed the two sides would reach a deal on security ahead of the August 1 deadline.

The White House has clarified that the 30% tariffs on Mexico, which Trump has blamed for not doing more to stem the flow of fentanyl into the US, would not apply to goods shipped under the USMCA trade agreement, which covers the vast majority of goods shipped from Mexico to the US. Sheinbaum said any agreement would not involve US forces entering Mexican territory, as previously floated by Trump.

White House economic adviser Kevin Hassett said trade talks were still under way with the European Union, Canada and Mexico. Canada is facing a tariff of 35% starting in August.

The threatened duties have sounded alarm bells in Europe, notably in Germany, the EU's biggest economy.

After Chancellor Friedrich Merz said on Sunday that a 30% tariff would "hit the German export industry to the core", the head of the German Chamber of Commerce and Industry called for swift action.

"The escalating tariff conflict with the USA poses a serious threat to many German companies," Volker Treier said yesterday. "Tough negotiations are now needed to avert a collapse of transatlantic trade." European industries, meanwhile, are preparing for the worst.

Producers of Italy's renowned Chianti wine in Tuscany, for example, have demanded a new export strategy backed by the EU targeting alternative markets such as South America, Asia and Africa.

Since returning to the White House earlier this year, Trump has sought to use an array of tariffs to boost the US economy, push companies to invest in the US and revitalise manufacturing.

Apple faces calls to reboot AI strategy with shares slumping

Bloomberg
California

Apple Inc is facing pressure to shake up its corporate playbook to invigorate its struggling artificial intelligence efforts.

Alarmed by a share slump that's erased more than $630bn in market value this year and frustrated with delays in rolling out AI features, investors are calling for Apple to break with long-standing traditions to make a big acquisition and more aggressively pursue talent.

"Historically Apple does not do big mergers and acquisitions," said Citigroup Inc analyst Atif Malik, noting that the last major deal was its takeover of Beats in 2014. But, he argues, "investors would turn more positive if Apple could acquire or invest a meaningful stake in an established AI provider."

Apple shares have fallen 16% this year while traders bid up the shares of peers like Meta Platforms Inc., which is spending lavishly on AI. While Apple faces other problems, including its exposure to tariffs and regulatory issues, disappointment in bringing compelling AI features to its vast ecosystem of devices has become top of mind for investors.

Apple didn't respond to a request for comment.

The company has long shunned acquisitions in favour of building its own products. The largest acquisition in Apple's history was a $3bn deal for headphone maker Beats more than a decade ago.

There are signs that Apple may be warming up to such a move. Bloomberg News reported last month that executives have held internal talks about making an offer for AI startup Perplexity AI, which would add talent and help Apple develop an AI-based search engine. The startup recently completed an investment round that valued it at $14bn.

Dan Ives, an analyst at Wedbush who is a long-time Apple bull, called buying Perplexity a "no brainer," and said even if Apple paid $30bn, that sum would be "a drop in the bucket relative to the monetisation opportunity Apple can achieve on AI."

Since unveiling its AI vision more than a year ago, Apple's roll outs of new features have underwhelmed, such as those unveiled at its Worldwide Developers Conference last month.

The company has reportedly considered using AI tech from outside companies, rather than in-house models, to power a new version of its Siri digital assistant.

Kevin Cook, a senior stock strategist at Zacks Investment Research, wants Apple to be more like Meta when it comes to hiring AI experts but stops short of calling for more dramatic changes, saying that concerns about its AI shortfalls are overblown.

"A refocus on AI talent is what's needed," said Cook. "Apple certainly has challenges, but this isn't like Google, which could more easily have been usurped by competitors if it fell behind," he said.

Meta Chief Executive Officer Mark Zuckerberg has spared no expense in pursuing his AI ambitions. The Facebook owner recently lured an engineer that ran Apple's AI models team with a pay package in the hundreds of millions of dollars over a several year period and Apple didn't try to match the offer, Bloomberg News reported last week. That followed Meta's deal to invest $14.3bn in Scale AI last month.

Of course, Apple has plenty of resources at its disposal to make similar moves. The company had cash and marketable securities of $133bn at the end of March, nearly twice the cash on Meta's balance sheet.

There have been some notable changes at Apple recently. Chief Operating Officer Jeff Williams is retiring after a decade in that role. And Luca Maestri, Apple's longtime chief financial officer, stepped down last year.

Over the weekend Bloomberg News reported that chief executive officer Tim Cook will stay put, though the company is preparing for a broad management shake-up.

ICAI celebrates CA Day 2025

The Institute of Chartered Accountants of India (ICAI) Doha Chapter recently celebrated "Legacy of Leaders: CA Day with the Pioneers", attended by more than 250 members in the CPE event. The event was attended by Sandeep Kumar, Deputy Chief of Mission, Indian embassy Qatar; Charanjot Singh Nanda, president, ICAI; Prasanna Kumar D, vice-president, ICAI; Babu Abraham Kallivayalil, chairman, CL&CGC, ICAI; and Darpan Inani, Para Asian Games gold medallist.
Kumar delivered a brief and encouraging address, commending the chapter's contributions to the Indian expatriate community.
This occasion marked the first-ever joint overseas visit of both the president and vice president of ICAI during the current council year. They touched upon ICAI's global outlook, leadership, and the evolving role of chartered accountants in the dynamic economic environment. The event also included felicitation of newly qualified chartered accountants from the May 2025 exam.
The Doha chapter reaffirmed its support for key initiatives aimed at the well-being of its members and announced its partnership with ICBF for enrolment of members and families in ICBF (Indian Community Benevolent Forum) Insurance scheme.

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Worldline turmoil hands Swiss bourse a $300mn headache

Bloomberg
Bern

Romeo Lacher was full of ideas when he sold the payment services division of Switzerland's stock exchange SIX Group AG to French firm Worldline SA in 2018.

The 2.75bn Swiss franc ($3.5bn) deal gave SIX a 27% stake in Worldline and would provide SIX with an "extreme" amount of firepower to participate in Europe's consolidating market infrastructure sector, Lacher, then chairman of SIX, said at the time.

He later held the same position at Swiss wealth manager Julius Baer Group Ltd, before exiting earlier this year.

Seven years later, SIX's remaining Worldline stake has turned into a millstone around the bourse's neck, trading more than 90% lower than at the time of the tie-up. The exchange is now likely facing a third write-down in as many years following the recent collapse in Worldline's share price as a result of fraud allegations in various European publications last month.

Worldline has denied the allegations and its chief executive officer has decried the media reports, calling them outdated and part of an orchestrated media campaign against the firm.

The bourse's current stake of roughly 10% in Worldline was valued in its accounts at just under €400mn ($467mn) at the end of 2024. That was already at a premium to its €250mn market value, which has fallen further this year to around €110mn.

SIX is now reviewing potential actions for the shareholding, according to people familiar with the matter, including carrying out a test to determine if further impairment is required.

The wait-and-see approach is not an option anymore, said one of the people, who all asked not to be identified discussing private information.

SIX already booked an impairment on its Worldline stake of around 860mn Swiss francs for the fourth quarter of 2023 linked to a cut to the company's outlook and the scrapping of its revenue target. The exchange also adjusted its 2024 net profit to account for another 168mn Swiss francs impairment on the stake.

SIX's largest shareholder is UBS Group AG, with a roughly 35% stake. Representatives for UBS, Worldline and SIX declined to comment. Lacher didn't respond to a request for comment.

Daniel Schmucki, SIX's chief financial officer and a former aviation industry executive, has sat on Worldline's board for the past five years, a period in which the exchange has repeatedly described its holding in Worldline as "strategic."

Worldline shares dropped 38% on June 25 after media outlets published reports that the firm had ignored warnings from regulators and continued doing business with risky clients with high fraud rates, including pornographers and dating websites.