



NEWS SUMMARY 24 August 2018

## Sessions hits back at Trump over Justice Department criticism

U.S. Attorney General Jeff Sessions has responded to President Donald Trump's latest attack on him by insisting that the justice department he heads will not bend to political pressure.

## Senate approves sweeping bill on defense, domestic spending

The U.S. Senate approved a massive spending bill that would direct more than \$670 billion towards a wave of Defense Department increases, including the largest boost to servicemembers' pay in nearly a decade and new gains in the number of troops, equipment and weapons for the 2019 fiscal year.

## U.S.-China trade talks end with no breakthrough as tariffs kick in

US and Chinese officials ended two days of negotiations in Washington aimed at easing trade tensions with no apparent progress as their trade war escalated with activation of another round of dueling tariffs on \$16 billion worth of each country's goods.

# <u>Trump warns impeachment will crash the market and make everyone 'very poor'—here's what experts</u> say

President Donald Trump said "everybody would be very poor" and questioned how he could be impeached when he's made strides improving economic conditions.

# U.S.-Mexico NAFTA talks seen running into next week, autos unresolved

Mexico's economy minister said U.S.-Mexico talks to craft a deal on new auto industry rules under the NAFTA trade pact are poised to continue into next week.

#### U.S. Treasury, IRS move to block states dodging tax deduction cap

The U.S. Treasury Department and Internal Revenue Service have issued new rules that will block blue states' attempts to circumvent the new \$10,000 cap on state and local tax deductions. The \$10,000 limit on the so-called SALT deduction was part of the Tax Cuts and Jobs Act.

Bolton warns Russia over election interference, denies Trump is a 'security risk'

National security adviser John Bolton warned top Russian officials about meddling in the U.S. election process, while saying Russians will face no new U.S. sanctions if they stop such interference.

# Pompeo names Ford exec as special envoy to North Korea

Secretary of State Mike Pompeo said he and his newly announced special representative to North Korea, Stephen Biegun, will be traveling to Pyongyang next week.

## U.S. senator plans measure to help Taiwan keep its allies

Senator Cory Gardner, chairman of the Foreign Relations Committee's Asia subcommittee, said he will introduce within a few days a measure encouraging countries to stick with Taipei.

#### Japan July core CPI rises 0.8 pct yr/yr

Consumer prices in Japan were up 0.9% on year in July. Core CPI advanced an annual 0.8% unchanged from the previous month. Overall inflation was up 0.3%, while core CPI added 0.1% o n a monthly basis.

#### Japanese minister suggests Trump does not clearly understand how trade works

Japan's trade minister warned that Tokyo might take action if the US fulfils threats to levy a 25% tariff on Japanese auto imports. He added President Donald Trump's policies reflect a serious misunderstanding of the importance of free trade and Japanese companies' contributions to the U.S. economy.

# Hunt says parliament will only approve Brexit deal consistent with vote

Foreign secretary, Jeremy Hunt, said he believed the British parliament would only approve a Brexit deal that was consistent with the "letter and spirit" of the 2016 referendum result in favour of leaving the European Union.

# Britons living in EU could lose access to UK bank services in no-deal Brexit

The British government warned consumers would face slower and more costly credit card payments when they buy EU products, and British citizens living abroad could lose access to payments from their bank accounts, in the event of a no-deal Brexit.

#### UK calls for extra six weeks of Brexit drug stockpiles

The British government called for drugmakers to build an additional six weeks of medicines stockpiles to cope with potential supply disruption in the event of a no-deal Brexit.

# Canada PM says in diplomatic talks with Saudi Arabia

Canada's Prime Minister Justin Trudeau said that his government is engaging diplomatically with Saudi Arabia, but did not back down on his concerns about human rights.

# SEC to review decision rejecting bitcoin ETFs

The U.S. Securities and Exchange Commission said it will review a decision by its staff to block nine bitcoin-based exchange-traded funds from coming to market.

# 'Unaffordable' Hong Kong home prices could fall by double digits

Investment group CLSA expects Hong Kong residential property prices to drop 15% over the next 12 months as interest rates rise.

#### Fraudsters use 'thousands' of Hong Kong bank accounts to launder HK\$4 billion in one year

Thousands of Hong Kong bank accounts have been used to collect and launder about HK\$4 billion (US\$500 million) by local and international fraudsters in the past year. Many account holders were mainlanders who were believed to have been recruited by underground money exchangers from China.

# Hong Kong high-speed rail to mainland 'will be profitable' from Sept 23 start date, carrying 80,000 passengers a day

Hong Kong's transport authorities promised the HK\$84.4 billion Guangzhou-Shenzhen-Hong Kong Express Rail Link is will be profitable from the day it starts on September 23 and now expected to carry 80,100 passengers a day.

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