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Key Global and Regional Developments over the Past Week

Reuters: China to penalize $60 billion of U.S. imports in tit-for-tat move

China and the United States plunged deeper into a trade war on Tuesday after Beijing added $60 billion of U.S. products to its import tariff list in retaliation for President Donald Trump's planned levies on $200 billion worth of Chinese goods. The tit-for-tat measures are the latest escalation in an increasingly protracted trade dispute between the world's two largest economies. On Monday, the U.S. administration said it will begin to levy new tariffs of 10 percent on about $200 billion of Chinese products on Sept. 24, with the tariffs to go up to 25 percent by the end of 2018.
Read the full article

Reuters: Trump hits China with fresh tariffs, threatens more if Beijing retaliates

U.S. President Donald Trump escalated his trade war with Beijing, imposing 10 percent tariffs on about $200 billion worth of imports in a move one senior Chinese regulator said "poisoned" the atmosphere for negotiations. Trump also warned in a statement on Monday that if China takes retaliatory action against U.S. farmers or industries, "we will immediately pursue phase three, which is tariffs on approximately $267 billion of additional imports."
Read the full article

Reuters: China central bank warns investors of ICOs and virtual currency risks

China's central bank Shanghai Head Office said on Tuesday investors should increase risk awareness for initial coin offerings (ICOs) and virtual currency investment and not blindly speculate in the market. China has taken a string of steps to clamp down on the crypto-currency market, including closing exchanges and banning ICOs in an aim to diffuse online financial risks.
Read the full article

Reuters: Danske Bank set to shed light on Russian

Danske Bank will on Wednesday lift the lid on how billions of euros from Russia and ex-Soviet states flowed through its accounts in Estonia, the latest scandal to highlight Europe's inability to tackle alleged money-laundering. Regulators are eagerly awaiting the Danske Bank (DANSKE.CO) report, which will mark a critical milestone for the Danish lender and follows calls by Brussels for a new European Union watchdog to crack down on financial crime.
Read the full article

Special Analysis: World Economic Forum The Future of Jobs Report 2018

As technological breakthroughs rapidly shift the frontier between the work tasks performed by humans and those performed by machines and algorithms, global labour markets are undergoing major transformations. These transformations, if managed wisely, could lead to a new age of good work, good jobs and improved quality of life for all, but if managed poorly, pose the risk of widening skills gaps, greater inequality and broader polarization. As the Fourth Industrial Revolution unfolds, companies are seeking to harness new and emerging technologies to reach higher levels of efficiency of production and consumption, expand into new markets, and compete on new products for a global consumer base composed increasingly of digital natives. Yet in order to harness the transformative potential of the Fourth Industrial Revolution, business leaders across all industries and regions will increasingly be called upon to formulate a comprehensive workforce strategy ready to meet the challenges of this new era of accelerating change and innovation.

This report finds that as workforce transformations accelerate, the window of opportunity for proactive management of this change is closing fast and business, government and workers must proactively plan and implement a new vision for the global labour market. The report's key findings include:

• *Drivers of change:* Four specific technological advances—ubiquitous high-speed mobile internet; artificial intelligence; widespread adoption of big data analytics; and cloud technology—are set to dominate the 2018–2022 period as drivers positively affecting business growth. They are flanked by a range of socio-economic trends driving business opportunities in tandem with the spread of new technologies, such as national economic growth trajectories; expansion of education and the middle classes, in particular in developing economies; and the move towards a greener global economy through advances in new energy technologies.

Read the full report

Recent Developments in Financial and Commodity Markets

Reuters: Oil prices fall as U.S. – China trade war clouds demand outlook

Oil markets slipped on Tuesday as the latest escalation in the Sino-U.S. trade war clouded the outlook for crude demand from the two countries, the world's top crude consumers. Brent crude LCOc1 futures had dropped 29 cents, or 0.37 percent, to $77.76 per barrel by 0632 GMT. U.S. West Texas Intermediate (WTI) crude CLc1 was down 15 cents, or 0.22 percent, at $68.76 per barrel. U.S. President Donald Trump on Monday said he would impose 10 percent tariffs on about $200 billion worth of Chinese imports.

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Reuters: Wall Street bounces back as investors shrug off trade tensions

Wall Street rebounded on Tuesday in a broad-based rally as investors brushed aside intensifying trade rhetoric between the United States and China. All three major U.S. indexes closed higher following Monday's sell-off. Late Monday, U.S. President Donald Trump announced that 10 percent tariffs on $200 billion in imports from China would go into effect next week, escalating the tit-for-tat trade spat between the world's two largest economies.

Read the full article

Bloomberg: Turkish Lira cedes gains from rate euphoria amid dollar binge

The Turkish lira fell for the third day as the euphoria spurred by last week's larger-than-expected interest-rate increase faded amid persistent dollar demand from local investors. The currency fell more than 2 percent against the greenback, with losses being compounded as long positions initiated after the 625-basis-point hike on Sept. 13 got stopped out, according to an Istanbul-based trader who declined to be named. The lira led emerging-market losses.

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