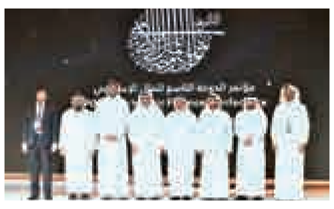
QatarTribune
Business
FRIDAY, MARCH 17, 2023

Fintech enabling digital transformation shines at Doha conference PAGE 8



2022 a turning point for Masraf Al Rayan after the merger: Chairman PAGE 7

DOW 32,204.42 +329.85 PTS	QE 9,910.09 -7.22 PTS	SENSEX 57,634.84 +78.94 PTS	GOLD 1,920.90 -0.54%
BRENT PRICE 74.88 PERCENTAGE +1.61%	WTI PRICE 68.66 PERCENTAGE +1.55%		SILVER 21.68 -0.92%

Qamco Chairman Abdulrahman Ahmad Al Shaibi and other officials addressing the shareholders during the company's annual general assembly meeting held in Doha on Thursday.

Qamco to strengthen market position by expanding into newer markets: Chairman

Shareholders approve dividend payment of QR0.09 per share for 2022

SATYENDRA PATHAK
DOHA

QATAR Aluminium Manufacturing Company (Qamco) will remain focussed on its strategic plans and look forward to strengthening its market position by expanding into newer markets. Qamco will continue its efforts towards achieving the strategic goal of maintaining its position among the most reliable and cost-competitive aluminum producers in the world, the company's chairman said.

Addressing shareholders at the company's annual general assembly meeting, Qamco Chairman Abdulrahman Ahmad Al Shaibi said, "The year 2022 had been a challenging year for the aluminium industry globally, as the macroeconomic environment remained volatile throughout 2022 driving cyclicality in primary aluminum prices."

However, he said, "Qamco's joint venture through its programmes is defined by operational excellence, cost optimization, safety, and sustainability, which contributed to overcoming the challenges and achieving our goal of adding value for our shareholders."

He said, "Qamco and its JV will continue to invest in environmental projects to optimise and efficiently use natural resources and reduce emissions, effluents, and wastes. It includes water waste, reduction of carbon dioxide emissions, and waste generation. All of these efforts resulted in Qamco's joint venture receiving the Aluminum Stewardship Initiative (ASI) certification in 2022 for 2021's performance, being a significant achievement that demonstrates Company's long-term commitment to sustainable and ethical practices. Overall, our JV's efforts have never ceased to reduce the impact of its business activities on the environment through the implementation of several strategies."

"Our funding strategy at the JV level would continue to support us in our continued progress towards reducing the level of debt by taking the necessary measures through the policy of saving and repayment while moving forward with cost optimisation programmes, which will mitigate the impact of market fluctuations on financial performance," Shaibi said.

During the financial year 2022, he said, "Qamco reported a strong set of financial results, largely attributed to better selling prices realized during the year, and reported a record net profit of QR919 million for 2022."

"Given the current short- to medium-term market outlook coupled with funding needs in relation to the JV's debt along with its CAPEX programme planned for the upcoming years, Qamco's board of directors recommends distributing a total annual dividend for 2022 amounting to QR502 million, equivalent to a payout of QR 0.09 per share," he said.

Speaking on the occasion, QatarEnergy Acting Manager Privatized Companies Affairs Department Abdulla Yaaqob Al Hay said, "Macroeconomic environment for the aluminium markets remained volatile throughout this year. Several factors impacted the commodity markets at the macro level, which cascaded down to the supply-demand dynamics of aluminium and led to volatilities in prices."

At the start of the year, he said, "Demand for primary aluminium demonstrated strength across key aluminium intensive sectors. However, recently the demand for aluminium was impacted by China's strict COVID-related lockdowns, coupled with a slowdown in the Chinese construction sector. In parallel, higher-than-expected inflation led to monetary tightening by most of the Central Banks, impacting industrial demand for most of the commodities."

"On the other hand, exorbitant energy prices in Europe have put most of the European smelters in a challenging situation to maintain capacity. Also, geo-political tensions are creating uncertainty in the commodity markets, with a growing risk of inventory builds.

On an overall basis, aluminium prices demonstrated essentially bullish trends during the early parts of 2022, amid constructive demand and supply shortages. However, since the mid-year LME prices softened on account of uncertainties over recessionary fears and limited demand," Hay said.

Despite macro-challenges, he said,"Qamco reported excellent profits, focusing on operational excellence, the flexibility of operations, value creation, and irrevocable commitment to HSE. Also, our solid position as a cost-competitive operator contributed to our record results."

In terms of the current year's financial performance, Qamco recorded a net profit of QR919 million for 2022.

Share of JV's revenue increased by 28 percent to reach approximately QR4 billion as compared to QR3.1 billion for last year. EBITDA increased by 6 percent and reached QR1.5 billion for 2022.

Qamco's improved financial results for the financial year 2022 in comparison to last year, were largely attributed to overall growth in average realized selling prices which increased by 24 percent during the current year versus last year, and contributed QR748 million positively towards net earnings of Qamco for 2022 as compared to last year.

He said, "Production activity remained stable with volumes marginally increased by 1 percent during the current year, as compared to last year. Sales volumes inclined by 3 percent and consequently contributed positively to Qamco's net profits. JV's total cost for the financial year 2022 was higher compared to last year, mainly on account of higher raw material costs and unfavorable inventory movements."

Qamco's financial position also remained strong, with cash and bank balances amounting to QR 1.2 billion. During the year, the Company's JV generated a positive share of operating cash flows of QR1.3 billion.

Going forward, he said, "Qamco's JV is focused on implementing cost optimisation and process improvement measure. Also, we will focus on reducing the debt which will support our competitive positioning in the medium and long term."

During the meeting, the shareholders approved the board's recommendation for a dividend payment of QR 0.09 per share for 2022, representing 9 percent of the nominal share value.

Industrial Production Index rises 3.5% in January

QNA
DOHA

THE Industrial Production Index (IPI) of the State of Qatar reached 103 points in Jan. 2023, rising by 3.5% compared to Dec. 2022, but decreased by 2.1% when compared to the corresponding month in 2022.

Issued by the Planning and Statistics Authority, the IPI is a short-term quantitative index that measures the growth of various industrial sectors in economy. The relative weight of main economic sectors under this indicator include: Mining (82.46%), Manufacturing (15.85%), Electricity (1.16%), Water (0.53%).

According to data, the index of the Mining sector showed an increase by 4.1% compared to the previous month (December 2022), because of the decrease in the quantities of "crude oil petroleum and natural gas" with the same percentage, while "other mining and quarrying" increased by 1.7%. When compared to the corresponding month of the previous year (January 2022), the IPI of Mining decreased by 3.3%.

In Manufacturing, the index of this sector showed an increase by 2.4% compared to the previous month (December 2022).

The groups showed an increase include: "manufacture of chemicals and chemical products" by 3.3%, followed by "manufacture of refined petroleum products" by 3.1%, "manufacture of basic metals" by 2.5%, and "printing and reproduction of recorded media by 0.6%. However, a decrease was recorded in, "manufacture of beverages" by 9.7%, followed by "manufacture of Cement and other non-metallic mineral products" by 3.3%, "manufacture of rubber and plastics products" by 2.6%, and "manufacture of food products" by 0.1%.

On the other hand, in terms of annual change, comparing to January 2022, an increase of 3.8% was recorded, due to the increase in "manufacture of refined petroleum products" by 18.1%, followed by "manufacture of chemicals and chemical products" by 4.8%, and "manufacture of beverages" by 3.5%.

However, a decrease recorded in "manufacture of cement and other non-metallic mineral products" by 13.4%, "printing and reproduction of recorded media by 9.1%, "manufacture of rubber and plastics products" by 4.6%, "manufacture of food products" by 0.8%, and "manufacture of basic metals" by 0.3%.

In Electricity, Gas, Supply, a decrease of 15.6% was noticed in the production of "electricity" between January 2023 and the previous month (December 2022). Comparing with corresponding month (January 2022), an increase of 7.1% was recorded.

Data of Water Supply showed a decrease of 17.6% in the production of "water" between January 2023 and the previous month (December 2022). Comparing with corresponding month (January 2022), an increase of 2.7% was recorded.

Investors should resist temptation to sell: Expert

QNA
DOHA

FINANCIAL analyst Youcef Bouhlaika called on investors to hold their stocks and not sell until the current period of market turbulence passes.

He noted that there were a host of local and international development that led to the Qatari index breaking below 10,000 points this week.

The current week of March witnessed a decline in the general index of the Qatar Stock Exchange to below 10,000 points, to drop to the level of 9,910 points, and to lose 826,510 points, compared to the end of last week's trading by 7.7 percent. He told Qatar News Agency (QNA) that the decline in the index coincided with six companies paying their dividend, which led to a large amount of profit-taking.

The financial market analyst stressed that the external repercussions weighed on the performance of QSE, especially with the decline in the shares of the Swiss Credit Suisse Bank and the losses it caused to shareholders, in addition to the repercussions of the bankruptcy of the American Silicon Valley Bank on global markets, regional markets, and the decline in oil prices below $75 a barrel.

He added that he expects a rebound in Qatari stocks as companies begin announcing their Q1 earnings next month, adding that he expects they will likely be positive.

2022 a turning point for Masraf Al Rayan after the merger: Chairman

Shareholders approve the Board's proposal to distribute a cash dividend of QR0.10 per share, endorse 2022 Corporate Governance report

TRIBUNE NEWS NETWORK
DOHA

MASRAF Al Rayan (MAR) held the annual general meeting (AGM) of its shareholders on Wednesday.

At the AGM, the shareholders endorsed the financial statements for the fiscal year ended December 31, 2023 that reflect a net profit after tax of QR1,344 million.

Sheikh Mohamed bin Hamad bin Qassim Al Thani, Chairman of the Board, presented the Board of Directors' report on the Bank's activities and financial position for the year ended 31 December 2022 and future plans.

Commenting on the 2022 activities, he said, "2022 was a turning point for MAR subsequent to the merger. We successfully completed the operational integration which helps to drive agility across the business and improve our service offering to our valued clients. We have also launched Sustainable Finance Framework – Qatar's first Shari'a compliant green deposit and Islamic sustainable financing framework. Moreover, we have increased our Foreign Ownership Limit (FOL) to 100%, which will assist to boost the bank's weight in major indices."

On future plans, he added: "We intend to fully embrace all the tenets of Environmental, Social, and Governance (ESG), recognizing that its associated opportunities and risks are becoming increasing important to financial institutions and the industry at large.

"MAR is fully committed to making a positive contribution to society, minimizing its environmental impact in line with Qatar's national climate change action plan aspirations, and to facilitating and promoting sustainable green financing. We will take our rightful role in leading Qatar's banking sector in the digital economy era embracing all technology advancements to bring to market the very best of Fintech products for customer convenience and service excellence. We will also continue our efforts to develop Qatar's human resource potential and contribute to creating a knowledge-based economy to ensure our national talents are empowered to be tomorrow's successful industry leaders, role models and responsible and committed citizens. We will simultaneously nurture our close, and expanding, relationships and have our eyes firmly focused on attaining the status of being the Islamic bank of choice to support Qatar's national vision ambitions."

During the meeting, MAR shareholders reviewed and endorsed the respective reports of the Sharia Supervisory Board and the External Auditors on the Bank's accounts for the fiscal year 2022. They considered and endorsed the financial statements for the fiscal year ended 31 December 2022 as presented to the meeting and approved the Board's proposal to distribute a cash dividend equal to 10% of the share nominal value i.e. QR0.10 per share for the financial year ended 31 December 2022 including the appropriation of the remaining profits as proposed in the audited financial statements.

Furthermore, the shareholders reviewed and endorsed the External Auditor's Report on the requirements of Article (24) of the Corporate Governance Code of Companies and Legal Entities Listed on the Primary Market issued by Qatar Financial Markets Authority concerning the Bank's compliance with the Corporate Governance regulations and Internal Control over Financial Reporting.

They also discussed and endorsed the 2022 Corporate Governance Report including the remuneration policy of the Board and Senior Management and MAR Environment, Social and Governance (ESG) Framework.

They approved the appointment of PWC- Qatar branch as external auditors for the fiscal year 2023 and fixed their fees. Board annual remuneration was agreed and the members absolved from liability as at end 2022.

The AGM appointed the members of the Sharia Supervisory Board for the term 2023-2025 as recommended by the Board and delegated the Board to add one or more new member(s) or to fill any vacancy that may occur for any reason whatsoever, fix their remunerations and assume any other matter related to SSB during the new term, subject to QCB approval.

Lastly, the AGM selected the new Board of Directors for the new term 2023-2024-2025 — Sheikh Mohamed Bin Hamad Bin Qassim Al Thani, appointed by Qatar Investment Authority/Qatar Holding; Sheikh Hamad Bin Faisal Bin Thani Al Thani, appointed by Qatar Investment Authority/Qatar Holding; Turki Al Khater, appointed by General Authority for Retirement and Social Insurance; Nasser Jaralla Al Marri, appointed by Qatar Armed Forces Portfolio/Barzan Holding; Abdulla Nasser Al Misnad, Independent member; Mohamed Al Saadi, Independent member; Abdulla Hamad Al Misnad, Independent member; Abdulrahman Al Khayareen, Mohamed Jaber Al Suleiti; Sheikh Ali Bin Jassim Al Thani; Sheikh Nasser Bin Hamad Al Thani, and Abdulla Al Malki – backup.

Sheikh Mohamed Bin Hamad Bin Qassim Al Thani concluded: "I present our sincere gratitude and appreciation, on behalf of the Board of Directors and the Bank, to His Highness the Emir, Sheikh Tamim Bin Hamad Al Thani, to His Highness the Father Emir, Sheikh Hamad Bin Khalifa Al Thani and to His Excellency Sheikh Mohamed Bin Abdulrahman Al Thani, the Prime Minister and Minister of Foreign Affairs, for their continuous support to the Qatari economy and institutions. Our appreciation is also extended to Qatar Central Bank and to all regulators for their unwavering support. I would like also to thank MAR executive management and all staff for their dedication and efforts. Finally, I conclude by expressing gratitude to our shareholders, investors and customers for their continued trust in MAR. The confidence you place in us empowers us ever forward."

After two historic US bank failures, here's what comes next

AGENCIES

TWO large banks that cater to the tech industry have collapsed after a bank run, government agencies are taking emergency measures to backstop the financial system, and President Joe Biden is reassuring Americans that the money they have in banks is safe.

It's all eerily reminiscent of the financial meltdown that began with the bursting of the housing bubble 15 years ago. Yet the initial pace this time around seems even faster.

Over the last three days, the U.S. seized the two financial institutions after a bank run on Silicon Valley Bank, based in Santa Clara, California. It was the largest bank failure since Washington Mutual went under in 2008.

How did we get here? And will the steps the government unveiled over the weekend be enough?

Here are some questions and answers about what has happened and why it matters:

WHY DID SILICON VALLEY BANK FAIL?

Silicon Valley Bank had already been hit hard by a rough patch for technology companies in recent months and the Federal Reserve's aggressive plan to increase interest rates to combat inflation compounded its problems.

The bank held billions of dollars worth of Treasuries and other bonds, which is typical for most banks as they are considered safe investments. However, the value of previously issued bonds has begun to fall because they pay lower interest rates than comparable bonds issued in today's higher interest rate environment.

That's usually not an issue either because bonds are considered long term investments and banks are not required to book declining values until they are sold. Such bonds are not sold for a loss unless there is an emergency and the bank needs cash.

Silicon Valley, the bank that collapsed Friday, had an emergency. Its customers were largely startups and other tech-centric companies that needed more cash over the past year, so they began withdrawing their deposits. That forced the bank to sell a chunk of its bonds at a steep loss, and the pace of those withdrawals accelerated as word spread, effectively rendering Silicon Valley Bank insolvent.

WHAT DID THE GOVERNMENT DO SUNDAY?

The Federal Reserve, the U.S. Treasury Department, and Federal Deposit Insurance Corporation decided to guarantee all deposits at Silicon Valley Bank, as well as at New York's Signature Bank, which was seized on Sunday. Critically, they agreed to guarantee all deposits, above and beyond the limit on insured deposits of $250,000.

Many of Silicon Valley's startup tech customers and venture capitalists had far more than $250,000 at the bank. As a result, as much as 90% of Silicon Valley's deposits were uninsured. Without the government's decision to backstop them all, many companies would have lost funds needed to meet payroll, pay bills, and keep the lights on.

The goal of the expanded guarantees is to avert bank runs — where customers rush to remove their money — by establishing the Fed's commitment to protecting the deposits of businesses and individuals and calming nerves after a harrowing few days.

Also late Sunday, the Federal Reserve initiated a broad emergency lending program intended to shore up confidence in the nation's financial system.

Banks will be allowed to borrow money straight from the Fed in order to cover any potential rush of customer withdrawals without being forced into the type of money-losing bond sales that would threaten their financial stability. Such fire sales are what caused Silicon Valley Bank's collapse.

If all works as planned, the emergency lending program may not actually have to lend much money. Rather, it will reassure the public that the Fed will cover their deposits and that it is willing to lend big to do so. There is no cap on the amount that banks can borrow, other than their ability to provide collateral.

HOW IS THE PROGRAM INTENDED TO WORK?

Unlike its more byzantine efforts to rescue the banking system during the financial crisis of 2007-08, the Fed's approach this time is relatively straightforward. It has set up a new lending facility with the bureaucratic moniker, "Bank Term Funding Program."

The program will provide loans to banks, credit unions, and other financial institutions for up to a year. The banks are being asked to post Treasuries and other government-backed bonds as collateral.

The Fed is being generous in its terms: It will charge a relatively low interest rate — just 0.1 percentage points higher than market rates — and it will lend against the face value of the bonds, rather than the market value. Lending against the face value of bonds is a key provision that will allow banks to borrow more money because the value of those bonds, at least on paper, has fallen as interest rates have moved higher.

As of the end of last year U.S. banks held Treasuries and other securities with about $620 billion of unrealized losses, according to the FDIC. That means they would take huge losses if forced to sell those securities to cover a rush of withdrawals.

HOW DID THE BANKS END UP WITH SUCH BIG LOSSES?

Ironically, a big chunk of that $620 billion in unrealized losses can be tied to the Federal Reserve's own interest-rate policies over the past year.

In its fight to cool the economy and bring down inflation, the Fed has rapidly pushed up its benchmark interest rate from nearly zero to about 4.6%. That has indirectly lifted the yield, or interest paid, on a range of government bonds, particularly two-year Treasuries, which topped 5% until the end of last week.

When new bonds arrive with higher interest rates, it makes existing bonds with lower yields much less valuable if they must be sold. Banks are not forced to recognize such losses on their books until they sell those assets, which Silicon Valley was forced to do.

HOW IMPORTANT ARE THE GOVERNMENT GUARANTEES?

They're very important. Legally, the FDIC is required to pursue the cheapest route when winding down a bank. In the case of Silicon Valley or Signature, that would have meant sticking to rules on the books, meaning that only the first $250,000 in depositors' accounts would be covered.

Going beyond the $250,000 cap required a decision that the failure of the two banks posed a "systemic risk." The Fed's six-member board unanimously reached that conclusion. The FDIC and the Treasury Secretary went along with the decision as well.

WILL THESE PROGRAMS SPEND TAXPAYER DOLLARS?

The U.S. says that guaranteeing the deposits won't require any taxpayer funds. Instead, any losses from the FDIC's insurance fund would be replenished by a levying an additional fee on banks.

Yet Krishna Guha, an analyst with the investment bank Evercore ISI, said that political opponents will argue that the higher FDIC fees will "ultimately fall on small banks and Main Street business." That, in theory, could cost consumers and businesses in the long run.

WILL IT ALL WORK?

Guha and other analysts say that the government's response is expansive and should stabilize the banking system, though share prices for medium-sized banks, similar to Silicon Valley and Signature, plunged Monday.

"We think the double-barreled bazooka should be enough to quell potential runs at other regional banks and restore relative stability in the days ahead," Guha wrote in a note to clients.

Paul Ashworth, an economist at Capital Economics, said the Fed's lending program means banks should be able to "ride out the storm."

"These are strong moves," he said.

Yet Ashworth also added a note of caution: "Rationally, this should be enough to stop any contagion from spreading and taking down more banks ... but contagion has always been more about irrational fear, so we wouldn't stress that there is no guarantee this will work."

Fintech enabling digital transformation takes centrestage at Doha conference

TRIBUNE NEWS NETWORK
DOHA

THE ninth Doha Islamic Finance Conference, which was held in Doha on Tuesday, discussedfintech that focuses on digital transformation and its application in Islamic finance.

It was held under the patronage of Prime Minister and Minister of Foreign Affairs HE Sheikh Mohammed bin Abdulrahman bin Jassim Al Thani. The Ministry of Commerce and Industry was the official sponsor. It had Dukhan Bank as the strategic partner, the General Department of Endowments at the Ministry of Endowments and Islamic Affairs as the diamond sponsor and Qatar Financial Center, Damaan Islamic Insurance Company (Beema), and Konya Real Estate Company as silver sponsors.

Bait Al Mashrua Finance Consultations, in cooperation with the College of Sharia and Islamic Studies at Qatar University, and the College of Islamic Studies at Hamad Bin Khalifa University, organized conference.

During the scientific sessions of the conference, the four main themes were discussed to cover the topics: "Islamic Finance in the World of Metaverse", "RegTech and SupTech in Islamic Finance", "Cross-border Finance and its Impact on Islamic Finance", and "Sustainability in Digital Finance", this was done through the working papers presented by the participating scholars, academics and specialists, in addition to the discussions and interventions that enriched the topics of the conference.

At the end of the conference, the conferees extend their sincere thanks to the State of Qatar for their generous sponsorship of the conference, as well as to the sponsors and the organizers for their support and efforts in order to make the conference a successful event that achieved its goals.

After presenting and discussing the four themes the conference concluded a set of objectives and recommendations:

1. Financial transactions in the virtual world with underlying blockchain technology do not, in principle, conflict with the rulings of Islamic jurisprudence, when the guidelines related to contract and the transfer of ownership are adhered to in what people consider valuable wealth in the forms of virtual assets or cryptos, as well as the contract shall has its pillars and conditions, and shall be free from the legal impediment or legal violations.

2. To control financial transactions in the world of metaverse, it is necessary to adhere to contractual, legal and ethical controls, and special controls related to contracts so that their effects are real, and that their place is something real, even if it is not tangible, in addition to precise technical controls to prevent all types of crimes related to honor, money and privacy.

3. Islamic banks are urged to leverage metaverse technology to expand into new markets and sectors in order to increase their growth opportunities. They are also advised to adopt regulatory technology applications to enhance transparency and compliance, and improve their overall performance, enabling them to achieve greater competitiveness.

4. Urges the endowment institutions to create virtual spaces for the endowment to introduce it, its history, its roles, and everything related to it in theory and practice, and to arrange global dialogues about developing its tools and activating its products through these spaces.

5. Islamic endowment institutions should be encouraged to integrate metaverse-based solutions into their operations to streamline the collection and management of endowment funds with transparency and high efficiency. The effective use of technology can enhance the chances of achieving the goals of endowment and social financing institutions.

6. Scholars and practitioners should intensify cooperation to design virtual products and services that comply with Islamic law. This will accelerate the use of technology by Islamic financial service providers and enable joint efforts to create smart applications that provide financial solutions for the Islamic lifestyle as an alternative to usurious applications offered by technology giants.

7. Artificial intelligence techniques and virtual reality applications can be utilized to develop Sharia governance mechanisms in Islamic financial institutions. It's important to emphasize the need for cooperation between competent authorities to create unified standards for supervisory and control technology in Islamic financial institutions.

8. Islamic financial institutions should consider creating their own virtual ecosystem to introduce Islamic financial products and assets of the Islamic economy and finance. They can also collaborate with educational institutions to provide education and training in this field.

9- Urges further research that focuses on Shariah and legal aspects related to Metaverse for offering suitable solutions that enable the states and institutions to benefit form this novel world.

Art auctions hit record in 2022

AGENCIES

MORE than a million artworks were put up for auction for the first time in 2022 despite a gloomy global economy, according to a report released on Tuesday.

The report by France-based analysts Artprice also confirmed a near-total collapse in the previous year's craze for NFTs -- the blockchain tokens that prove ownership of digital artworks -- whose sales fell 94 percent to $13.9 million.

But more traditional art, particularly paintings, had a bumper year.

More than a million artworks were put up for auction, and 704,747 sold -- both records -- with Christie's seeing six works that surpassed $100 million each.

"One might be forgiven for thinking that the world's problems have had no impact on the art auction market," the report said. "Indeed, for certain masterpieces of art history, the year 2022 saw more intense competition than ever before." Global art auction revenues fell slightly on the previous year -- from $17 billion to $16.5 billion.

But this was due to the slowdown in the Chinese market, which was still under strict zero-Covid restrictions and saw its art sales fall by a third to $3.9 billion.

New York almost made up the difference on its own, with sales up by $1.5 billion thanks to sales of several masterpieces by the likes of Cezanne, Van Gogh and Monet from private collections, particularly that of Microsoft co-founder Paul Allen.

One of his paintings alone -- a Marilyn Monroe portrait by Andy Warhol -- fetched $195 million, the highest-ever for an American work of art.

Picasso remains the most sought-after artist historically; his works generated $494 million last year.

"Twenty years ago, selling a work of art took several month. Today, they are sold in a few days," said Artprice boss Thierry Ehrmann.

While non-fungible tokens lost much of their value -- partly due to the crash in cryptocurrencies -- the number of auctions for these digital artworks actually increased from 284 to 373.

Buyers have mostly gone for cheaper NFTs under $5,000 and largely ignored those still trying to reach the astronomical levels of 2021, the report said.

Overall, the art market remains dominated by the United States, China and Britain, which together make up 81 percent of global sales.

The United States regained its top position with a record $7.34 billion, accounting for 44 percent of the total.

France was in fourth place with $2.16 billion, with the weak performance of the euro causing a slight contraction.

They were followed by Germany, Italy, Japan, Switzerland and South Korea.

Major Japan firms offer biggest pay hikes in decades

AGENCIES

A worker checks machinery at a factory in Higashiosaka, Japan.

MAJOR Japanese corporations including Nissan Motor Co and Hitachi Ltd on Wednesday agreed on their biggest pay raises in decades in annual wage negotiations after their labor unions requested wage hikes that match rising prices.

Nissan said it will increase monthly wages by 12,000 yen on average, the largest hike since fiscal 2004 when the current wage system was introduced. It will also offer annual bonuses worth 5.5 months' salary as per its union's request.

That follows the decision by Toyota Motor Corp, which has a strong influence in setting the direction of the country's shunto pay negotiations every year, to offer its biggest wage hike in 20 years.

Honda Motor Co has also agreed on its largest base pay increase in more than 30 years.

"We are hoping to help create a better working environment," Toyota's incoming president Koji Sato said at a press conference, expressing hope that the automaker's pay hike will spur vigorous labor-management discussions at other companies.

Major electronics firms are also providing pay raises demanded by labor unions including Hitachi which agreed to a 7,000 yen base pay hike, the biggest raise since 1998.

Among other large firms, Sapporo Breweries Ltd said last week it will raise its base wage by 9,000 yen, the biggest annual increase in 40 years.

Japan Airlines Co's management offered last week to increase base pay by 7,000 yen, 1,000 yen more than the amount requested by the largest union among those representing the carrier's employees.

Beef bowl restaurant chain operator Zensho Holdings Co agreed to give an average increase in its base pay of 7.7 percent, or 26,718 yen, a record hike for the company.

The hefty pay raises came as Prime Minister Fumio Kishida has called on the business community to increase wages to mitigate financial burdens on households hit by soaring prices of everything from food to gasoline.

Core consumer prices in Japan jumped 4.2 percent in January from a year earlier, rising at the fastest pace since September 1981. Inflation-adjusted real wages in the country fell for the 10th straight month in January, according to government data.

"We are seeing historic wage hikes. It looks like we are finally out of the zero base-pay increase phase," said Saisuke Sakai, senior economist at Mizuho Research & Technologies Ltd.

"But it's still not enough to compensate for rising consumer prices" as the pace of increase in base pay needs to catch up with that of prices to generate any significant impact on the economy, he added.

In a government meeting with representatives from the business community and the labor unions held for the first time in eight years, Kishida expressed hope that wage increases at major corporations trickle down to smaller companies.

"The government will do its utmost to pave the way" for wage increases for workers at small and medium-sized businesses and strengthening such companies' negotiating power to pass on rising costs to their customers, Kishida said.

The pay hikes come after decades of stagnant wage growth in the country mired in deflation after the collapse of the bubble economy in the early 1990s.

According to data compiled by the Organization for Economic Cooperation and Development, the average wage in Japan rose 6.3 percent in 2021 from 1990.

China retail sales up after pandemic-reopening in the country

AGENCIES

CHINESE retail sales rebounded in January and February as Beijing abandoned its suffocating zero-COVID policy, reopening borders and ending mandatory quarantine, and the country celebrated the Lunar New Year holiday.

The 3.5 percent growth, released by the National Bureau of Statistics, came in line with expectations and was much better than the 1.8 percent drop suffered in December, indicating the world's number two economy was picking up after years of painful restrictions.

And with Beijing this week announcing it will resume issuing tourist visas, there is a hope for a further improvement this year.

China usually releases January and February economic data together to ensure they are not skewed by the long Chinese New Year holiday.

Fixed-asset investment also showed an improvement, rising 5.5 percent in January-February -- beating forecasts of 4.5 percent growth -- as the government poured billions of dollars into building new railways and industrial parks, NBS data showed.

However, industrial output expanded 2.4 percent -- below the 2.6 percent expected.

"Production and demand have improved significantly, and employment and prices are generally stable," the NBS said in a statement. "The economy is showing signs of stabilization and recovery." China has set an economic growth target of "around five percent" for 2023, one of the lowest in decades.

But Premier Li Qiang has warned that even this was "not easy" to achieve as a grinding property crisis continued and global demand slowed.