

ECB could hike rates or pause at next meeting

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AFP | Frankfurt, Germany



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PRESIDENT OF THE EUROPEAN CENTRAL BANK (ECB) CHRISTINE LAGARDE

The European Central Bank could hike interest rates again or pause at its next meeting and any decision will depend on the latest data, president Christine Lagarde has said.

The central bank for the 20 countries that use the euro lifted borrowing costs for the ninth consecutive time Thursday as it fights stubbornly high inflation.

But in comments after the meeting, Lagarde fuelled expectations the ECB may finally pause its historic hiking campaign soon, saying she had an

open mind about future decisions.

In an interview with French daily Le Figaro published Sunday, she stressed no decision had yet been made about what the ECB will do at its next meeting on September 14.

“I hear some people say that the final rate hike will take place in September,” she said.

“There could be a further hike of the policy rate or perhaps a pause. A pause, whenever it occurs, in September or later,

would not necessarily be definitive.

“Inflation must return durably to its target.”

Decisions would be based on the latest economic and financial data, she said.

The ECB is due to release its latest forecasts, including for eurozone growth and inflation, at the September meeting.

Inflation has been slowing but still came in at 5.5% in June -- well above the ECB's two-percent target.

But there have been growing concerns about the impact of rate hikes after the eurozone slipped into recession around the turn of the year, with the economy shrinking for two straight quarters.

But Lagarde said second-quarter economic growth data for Germany, France and Spain, released Friday, were “quite encouraging”.

The French and Spanish economies both grew more than expected. The German economy -- Europe's biggest -- stagnated, despite expectations for a slight rebound.

She also shrugged off criticism coming from leaders of some countries, such as Italy, about the rate increases.

“As a central banker you need to have a thick skin,” she said.

“And it's essential to keep sight of the objective of lowering inflation and to be as clear as possible about the tools deployed and the intended results.”

Back on track: Europe's night trains make bumpy comeback

AFP | Vienna, Austria

Night trains have made a comeback in Europe thanks to their low-carbon footprint, but after years of neglect, the renaissance has had a bumpy ride.

Operators admit that the trains are outdated -- with passengers facing the occasional delays, technical problems or malfunctioning toilets -- while companies compete in an overloaded network.

Despite the challenges, national rail operators are giving night trains another chance while startups are jumping on the bandwagon as climate concerns are making travellers ditch kerosene-burning planes for cleaner modes of transportation.

Sitting at the crossroads between western and eastern Europe, Austria has been at the heart of this revival with the backing of the government even as low-cost airlines threatened to relegate sleeper trains to the history books.

Austrian rail operator OeBB, a pioneer in the sector, has Europe's biggest fleet of night trains, serving 1.5 million passengers in carriages that include bed compartments.

The state-owned company considered abandoning its overnight services at one point, but it went the opposite direction and invested in them instead.

“Our night trains are nearly fully booked,” OeBB spokesman Bernhard Rieder told AFP as

summer travel is in full swing in Europe.

OeBB runs 20 routes connecting Vienna and other cities throughout Europe.

“Very convenient”

Astrid Reiter, a 27-year-old consultant, booked a night train from Vienna to Zurich.

“It's nice because you basically wake up in a different country,” she said. “If everything works out well, it's a very convenient way to travel.”

She added: “I do hope that other companies other than the Austrian railway company develop more night trains and make it easier to have faster night trains.”

Rieder admits that the quality of its service “is not always as high these days as what we want to deliver to our customers”.

In 2018, OeBB ordered 33 new night trains from German conglomerate Siemens to expand its reach and replace part of its ageing fleet.

The first trains -- with a modern design, more privacy and more shower facilities -- are expected to go into service at the end of this year.

Chris Engelsman, co-founder of the Belgian-Dutch startup European Sleep-

er, also complained about a shortage of “proper night train coaches”.

Established in 2021, his company inaugurated a Berlin-Brussels link in May.

“The train is not always up to the modern standards, but despite that many people would like to travel by night train and the enthusiasm is quite big,” he told AFP.

Competition from low-cost flights and a lack of coordination between different European rail operators and companies are other obstacles.

“Complex and expensive”

“Operating night trains is very difficult, complex and expensive,” Kosok said, adding that the infrastructure was “overloaded” even at night when freight trains ply the rails.

There is also no centralised site to consult timetables and compare prices, with some in the industry complaining of a lack

of political will.

“There's not really a European approach to train travel at the moment,” Engelsman said.

French startup Midnight Trains co-founder Adrien Aumont said his company's aim was to “reinvent” the night train “to make it a truly competitive means of transport against aviation”.

Aumont had the idea to create the company when his partner “decided never to get on a plane again”.

His startup is partnering with a night train maker to relaunch the once popular Paris-Milan-Venice line in 2025.

Train attendants stand on the platform in front of sleeping cars of the Nightjet train line Vienna - Venice (-Zurich) of the Austrian Federal Railways



Austrian rail operator OeBB, a pioneer in the sector, has Europe's biggest fleet of night trains, serving 1.5 million passengers in carriages that include bed compartments.



Sunak backs plans for new UK oil and gas exploration

AFP | London, United Kingdom

UK Prime Minister Rishi Sunak has backed plans for new fossil fuel drilling off Britain's coast, saying in a Sunday newspaper interview he would be “pragmatic and proportionate” about reaching net zero.

His government is expected to approve the development of Rosebank, near Scotland's Shetland Isles -- believed to be the UK's largest undeveloped oil and gas field -- as well as other sites in the nearby North Sea imminently.

The prospect has infuriated environmental campaigners, who argue that stopping all new fossil fuel exploitation is essential if Britain is to decarbonise by mid-century.

They accuse the British leader of lacking conviction on climate policies and playing politics with the issue, as he eyes a general election due next year amid a cost-of-living crisis.

The main opposition Labour party, well ahead in the polls, said earlier this year it will not issue any new North Sea drilling licences if it regains power after more than a decade in opposition.

“I think it makes absolutely no sense, as the Labour Party



Britain's Prime Minister Rishi Sunak

is suggesting, to ban North Sea oil and gas,” Sunak told the Sunday Telegraph.

“That is just going to weaken our energy security and strengthen the hands of dictators like (Russian) President (Vladimir) Putin,” he said, arguing it jeopardised 200,000 jobs and threatened £80 billion (\$103 billion) worth of tax revenue.

Sunak, who became leader last October, said his approach was “to support the UK's energy industry” and appeared to suggest that not exploiting new UK oil and gas reserves risked “the lights going out” in Britain.

“Everybody sensible recognises that we will need those fossil fuels as part of the transition to net zero,” he argued.

Novo Nordisk weight-loss drug Wegovy launched in Germany

Frankfurt

Novo Nordisk has launched blockbuster weight-loss drug Wegovy in Germany, its first big European market, hoping Germans will pay hundreds of euros out of pocket for a drug that public health insurance plans are so far barred from covering.

The drug, shown to help patients reduce body weight by around 15% when used along with exercise and lifestyle changes, is already available in the United States, but in Europe is so far on sale only in small markets Norway and Denmark, Reuters reported.

“The first patients have redeemed prescriptions in



Germany,” a spokesperson for Novo confirmed on Saturday to Reuters, in line with previously announced plans to launch the drug there at the end of July.

The Danish drugmaker's share price has more than doubled in the two years since the drug debuted, turning Novo into Europe's second-most-valuable listed company after LVMH.

Saudi Arabia's Ma'aden to acquire 10% of Brazil base metals firm

● Ma'aden, through Manara, its joint venture established with the Public Investment Fund

Reuters | Dubai

Saudi Arabian Mining Company (1211.SE), known as Ma'aden, has agreed to acquire a 10% stake in Brazil's base metals company Vale, it said in a bourse statement yesterday, as part of a strategy to invest in global mining assets.

Ma'aden, through Manara, its joint venture established with the Public Investment Fund, on Thursday signed a binding agreement to acquire the 10% stake in ValeBase Metals, based on an enterprise value of \$26 billion.

“Manara's investment into



Vale will play a key role in helping it expand the production of copper and nickel across its asset portfolio, which are critical to the development of new technologies that will benefit the global energy transition,” the company statement said.

The transaction, which will be financed by Ma'aden's own resources, is subject to regulatory approvals and expected to be completed in the first quarter of 2024.