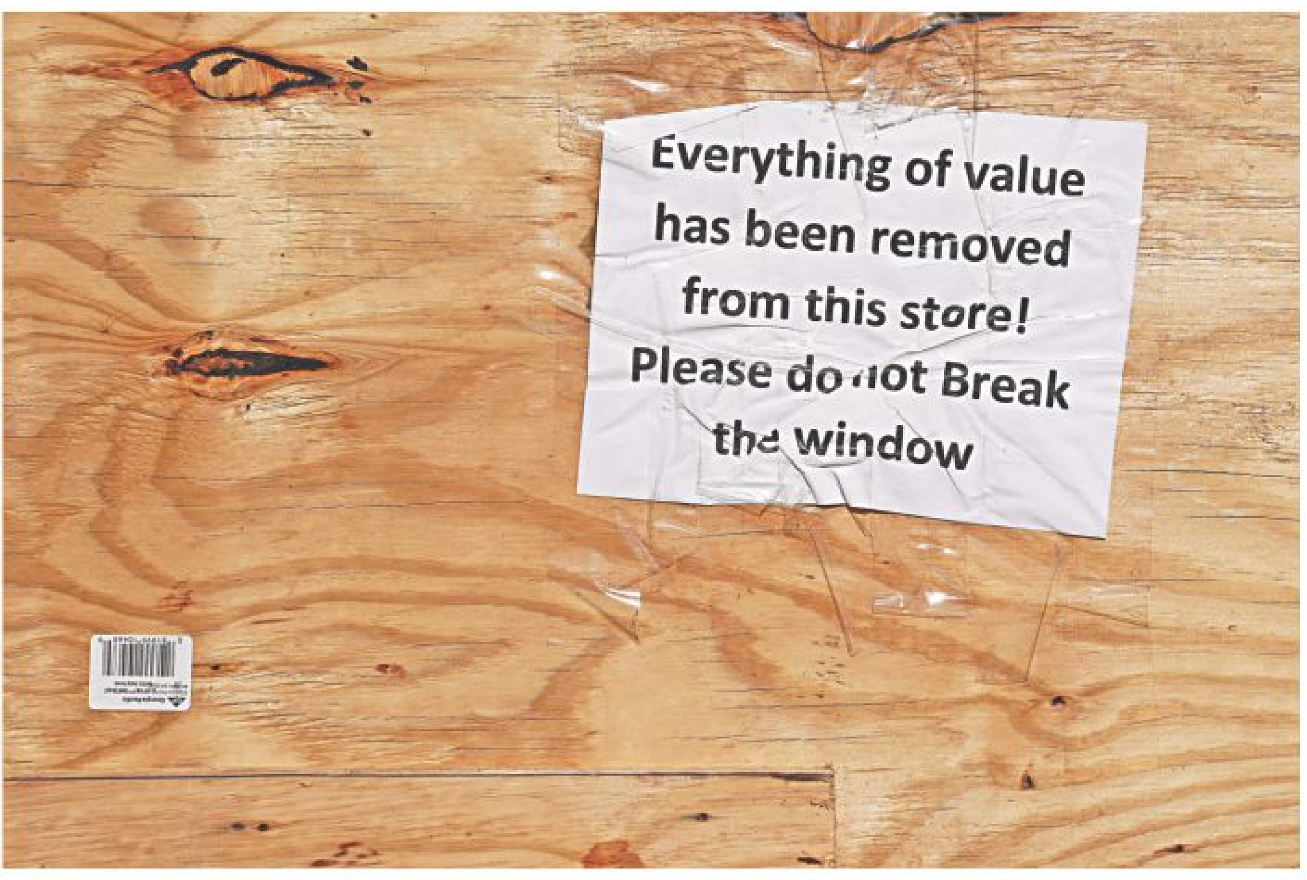
Economic cost of Harvey, Irma could be $290b: forecaster



REUTERS

The photo taken on September 7 shows a sign on a business ahead of Hurricane Irma's arrival in North Miami Beach in Florida.

AFP, *Washington*

THE combined economic cost of Hurricanes Harvey and Irma could reach $290 billion, equivalent to 1.5 percent of the US gross domestic product, US forecaster AccuWeather said in a report Sunday.

"We believe the damage estimate from Irma to be about $100 billion, among the costliest hurricanes of all time," said the firm's CEO and founder Joel Myers.

Harvey, which battered Texas and parts of Louisiana in late August, will be "the costliest weather disaster in US history at $190 billion or one full percentage point of GDP" which stands at $19 trillion.

The report said it arrived at the figure by calculating disruptions to business, increased unemployment rates for significant periods of time, damage to transport and infrastructure, crop loss including a 25 percent drop of orange crop, increased costs of fuels including gasoline, heating oil and jet fuel, household damages and loss of valuable documentation.

Only a fraction of the losses would be covered by insurance, said Myers.

Irma struck the Florida Keys archipelago earlier Sunday and is now bearing north, bearing down on the city of Tampa on the west coast of the Florida peninsula.

Harvey made landfall in Texas in late August, causing severe damage to property and paralyzing the country's fourth-largest city, Houston, with major flooding.

China eyes petrol car ban, boosting electric vehicles

AFP, *Shanghai*

CHINA is gearing up to ban petrol and diesel cars, a move that would boost electric vehicles and shake up the world's biggest car market in a country that is plagued by pollution.

The plan would follow decisions by France and Britain to outlaw the sale of such cars and vans from 2040 to clamp down on harmful emissions.

The government did not give a date for the ban, but the announcement drove up the shares of automakers and lithium battery makers in Asia, with Chinese electric car leader BYD closing 4.07 percent up in Shenzhen and Toyota up 1.22 percent in Tokyo.

Xin Guobin, vice minister of industry and information technology, told a weekend forum in the northern city of Tianjin that his ministry has started "relevant research" and is working on a timetable for China.

"These measures will promote profound changes in the environment and give momentum to China's auto industry development," Xin said in remarks broadcast by CCTV state television.

"Enterprises should strive to improve the level of energy-saving for traditional cars, and vigorously develop new-energy vehicles according to assessment requirements," he said.

While Xin did not give a deadline, the head of the National Passenger Car Association, a Chinese auto industry group, said it would be "a long process".

"It will be hard to stop producing traditional fuel-powered vehicles for the next decade or two decades," the association's secretary general, Cui Dongshu, told AFP.

"We may make significant headway in passenger cars in 2040 or even earlier, but for other products like the heavy-duty trucks it would be difficult."

Automakers "have not really tried hard in this sector" and consumers are not so familiar with new-energy vehicles, Cui said.

But Bill Russo, managing director of Gao Feng Advisory Group, said the move bodes well for Chinese automakers who are already able to compete with foreign car companies when it comes to making electric vehicles.

He added: "If China says no more ICE (internal combustion engines), the rest of the world will follow because the rest of the world can't lose China's market. It's too big."

China produced and sold more than 28 million vehicles last year, according to the International Organization of Motor Vehicle Manufacturers.

The sale of new-energy vehicles topped 500,000 in the world's second largest economy in 2016 -- over 50 percent more than the previous year, according to national industry figures. The majority were made by Chinese firms.

The government introduced draft regulations this June compelling automakers to produce more electrically-powered vehicles by 2020 through a complex quota system.

Xin said the policy would be implemented "in the near future", according to the official Xinhua news agency.

As the measure looms, foreign automakers have announced plans to boost the production of electric cars in China.

Market leader Volkswagen sold a few hundred "green" cars among the four million vehicles it sold in China in 2016, but the German manufacturer plans to sell around 400,000 new-energy vehicles in the country by 2020 and 1.5 million by 2025.

Christoph Ludewig, VW's communications director in China, declined to comment on Xin's announcement, but he noted that the company has a joint venture with JAC that will produce such cars by next year.

"Our efforts are quite huge, so we want to contribute to and be on the forefront of the electrification of the Chinese automotive industry. That's clear," Ludewig told AFP.

He also said VW would "work hard" to comply with the NEV quota once China implements it next year.

Volvo will introduce its first 100-percent electric car in China in 2019.

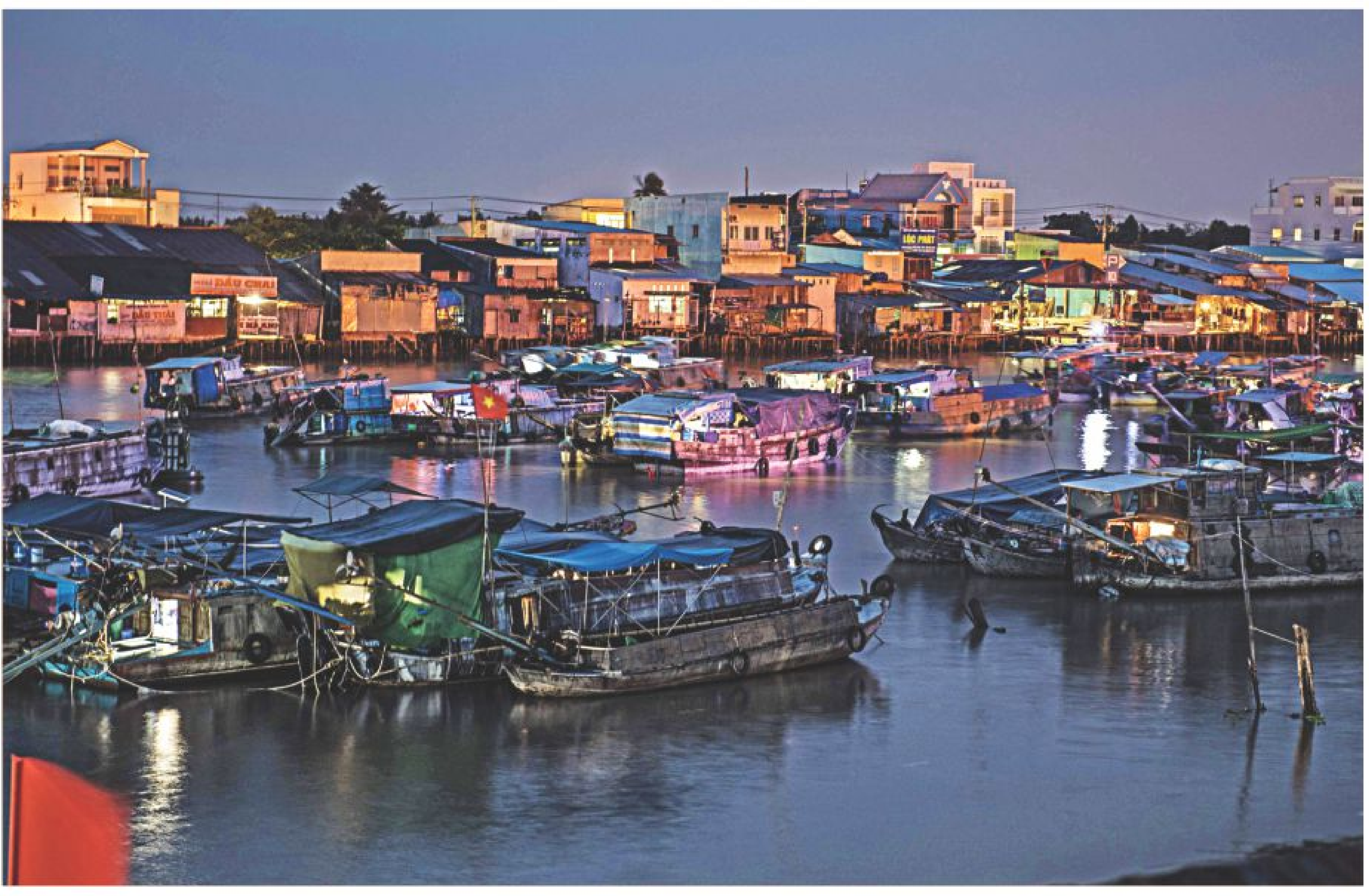
Ford envisages that 70 percent of all Ford cars available in China will have electric options by 2025. It is establishing a joint venture with China's Zotye Automobile to make and sell all-electric vehicles.

"We are already aggressively pursuing an electrification strategy to provide a comprehensive range of electrified vehicles in the country by 2025, including hybrids, plug-in hybrids and fully battery-powered electric vehicles," said Anderson Chan, a Ford spokesman in China.

AFP

A man rests in front of unused electric car charging stations in Beijing yesterday.

Vietnam floating market struggles to stay above water



AFP/FILE

Boats lie anchored in a canal off the Song Hau river in the floating Cai Rang market in Can Tho, a small city of the Mekong Delta.

AFP, *Can Tho, Vietnam*

FIXING weighing scales used to be good business on Vietnam's floating Cai Rang market, but the last repairman on the river now makes just a few dollars a month as modernity pushes traders to land.

Surrounded by dusty old scales on his cluttered houseboat, Nguyen Van Ut says vendors are giving up their boats for better lives on terra firma where supermarkets draw the traders who once thronged the waterway.

"I don't have many customers now. In the past, it was alright, but now many boats have left the floating market... people on vessels have switched to vehicles," the 71-year-old told AFP.

He got into the repairs business 30 years ago on the Can Tho river to support his surviving children after his wife and two of his sons drowned in an accident. For a time life was good, but now he relies on handouts from his children -- three of them work in nearby Can Tho city.

Once reportedly two kilometres long, the Cai Rang market is a shadow of its former self. There are about 300 boats on the water now, down from 550 in 2005, according to the local tourism office.

It has fallen victim to the economic rise of the Mekong Delta, which has rapidly developed over the last decade.

Industrial and construction sectors have created nearly 570,000 jobs, hauling many from poverty.

But people like Ut have been left behind, unable to afford a life on shore. Even vendors making a decent wage from the tourists who flock to the market yearn for the perks of living on land: better housing, better jobs and modern amenities.

Nguyen Thi Hong Tuoi started working on the water when she was a child, just like her mother and grandmother before her.

Though she earns decent money, she doesn't expect her daughter to carry on the family tradition.

"In the future, I will let my daughter live on land so she can study and have a proper job," the 34-year-old told AFP, as her elderly mother rested in a hammock surrounded by sacks of tapioca on their boat.

It's a common aspiration for young people in Vietnam, where more than half the country's 93 million people are under the age of 30 and eager to move to fast-growing cities for work.

The origins of Cai Rang market reach back to when Vietnam and neighbouring Cambodia and Laos were occupied by the French, who readily exploited the natural resources of the colony previously called Indochina.

The Mekong Delta's web of canals -- both natural and man-made -- were used to transport goods and people in the absence of a reliable road network. There are about a dozen surviving markets in Vietnam's Mekong Delta today, though like Cai Rang, many have shrivelled.

"The local government is trying to keep the floating markets alive to (preserve) the culture and attract more tourists," said Nguyen Thi Huynh Phuong, a lecturer at nearby Can Tho University who has researched the market's history.

It still functions as a wholesale market, with vendors waking each day before dawn to load boats with watermelons or radishes and advertising their products by spearing them to a bamboo pole on the bow of the ship.

But its charm also draws millions of visitors each year who buy noodles, fruit and coffee from water traders, making it a well-established pit-stop on the Mekong tourist trail.

Recognising the market as a tourism hotspot, the government designated Cai Rang as a national heritage site last year.

For vendors like Ly Hung, who has lived on the water for 26 years, visitors have helped to maintain a traditional way of life.

China's bitcoin exchanges await clarification, markets subdued

REUTERS, *Shanghai/Beijing*

China's largest bitcoin exchanges are awaiting clarification from the government following more media reports that Beijing is planning to ban trading of virtual currencies on domestic exchanges, but markets were largely subdued on Monday.

Spokeswomen for the OkCoin and Huobi platforms told Reuters they had no information to share following a report by Chinese financial publication Caixin that sent the price of bitcoin down 6.6 percent on Friday.

A source with knowledge of the policy confirmed to Reuters that China planned to ban exchanges that allowed virtual currency trading. BTC China, also one of China's three largest exchanges, and China's central bank did not immediately respond to Reuters' requests for comment.

Bitcoin was trading lower by around 1.3 percent at $4,170 on the Bitstamp platform on Monday. On Sept 2, it hit a record high of nearly $5,000.

"People are still waiting for official word from the regulator," said Arthur Hayes, chief executive of crypto-currency trading platform BitMEX, adding that the relatively subdued fall in the bitcoin price illustrated how opinion in the community towards the Caixin article was divided.

"I would assume that if China shuts down trading on continuous order books of the large exchanges, the price would drop below $4,000, or the price of the US dollar price of bitcoin would catch up to where it's trading equivalently in China," he said.

China has boomed as a cryptocurrency trading venue in recent years as its domestic exchanges had previously allowed users to conduct trades for free, attracting investors and speculators who boosted demand and encouraging volumes.

Lucky 8? $1,000 price tag dampens iPhone enthusiasm in China

REUTERS, *Beijing*

APPLE Inc will launch an expected "iPhone 8" on Tuesday, hoping the number's auspicious connotations in China will help turn around fortunes in the world's biggest smartphone market after six quarters of falling sales.

Chinese shoppers, however, are already counting the cost, with the latest model tipped to have a price tag upward of $1,000 - roughly double the average Chinese monthly salary.

The success of Apple's next iPhone in China is crucial for the Cupertino-based firm, which has seen its once-coveted phone slip into fifth position in China behind offerings from local rivals Huawei Technologies Co Ltd, Oppo, Vivo and Xiaomi Inc.

"I'll wait for a drop in price, it's too expensive," said Angie Chen, 23, a project manager in Nanjing and iPhone 6 owner. Chen said she might even wait for the new phone's successor, when prices will fall. "It's a nice number to hear, but there's no rush."

Eight is the luckiest number in China because it sounds similar to the phrase meaning "to get rich".

"Apple really needs to launch a very innovative product this time around," said Mo Jia, Shanghai-based analyst at Canalys. However, the rising clout of local rivals would nevertheless make life tough for the US firm, he said. "It has its work cut out."

The iPhone 7 suffered from the perception that it was too similar to earlier models. This time, despite talk of wireless charging, advanced touch screen and facial recognition technology, Chinese netizens are yet to replicate the online mania around previous iPhone launches.

REUTERS/FILE

Customers and sales persons are seen at an Apple maintenance service store at a mobile phone market in Shanghai.

Greater China, which for Apple includes Taiwan and Hong Kong, accounted for roughly 18 percent of iPhone sales in the quarter ended in July, making it the company's top market after the United States and Europe.

Yet those sales have been declining steadily and are down 10 percent from a year earlier, in contrast with growth in all other regions.

And the iPhone's share of China's smartphone shipments fell to 9 percent in January-June, down from 14 percent in 2015, showed data from consultancy Counterpoint Research.

While the iPhone 6 took China by storm in 2014, models since have received a more muted response.

Mentions of "iPhone 8" on popular Chinese social media platform Weibo - an indicator of consumer interest - were running slightly ahead of the similar period before the iPhone 7 launch, but were far more muted than with the iPhone 6. Apple declined to comment on the new phone, price or supply.

One effect of Apple's costliest phone to date will be the rise of sales on credit.

Wang Yang, who runs a bricks-and-mortar smartphone store in Beijing's largest tech market, said he expected more purchases online this time, as consumers make payments by instalment.

"We will continue to stock the cheaper models or we won't sell much," he said.