FINANCIAL™

Generation rent counting on 'Bank of BAE' to get onto the property ladder

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Georgia Closes Gülen-Affiliated School in Tbilisi

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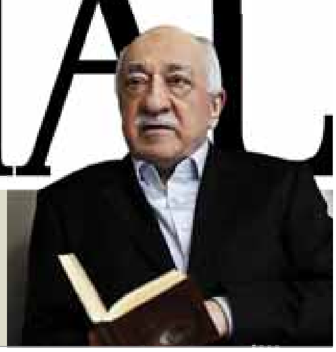

4 September, 2017 News Making Money http://www.finchannel.com

Bank of Georgia Signs $75 Million Trade Finance Facility with ADB, IFC, Citibank

The FINANCIAL -- Bank of Georgia has signed a $75 million one-year Club Trade Finance Facility (Club Trade Facility) arranged by Citi with the Asian Development Bank (ADB) and the International Finance Corporation (IFC), a member of the World Bank Group.

This is the fourth Club Trade Facility arranged by Citi for Bank of Georgia, which attracted several international investors during the syndication.

Bank of Georgia is a leading Georgian bank, based on total assets (33.8% market share), total loans (31.5% market share), and client deposits (31.5% market share) as of 30 June 2017.

Proceeds of this year's Club Trade Facility will support import and export transactions for top corporate customers of Bank of Georgia, increasing the volume and value of trade transactions in Georgia's key economic sectors, including agribusiness, transportation, and energy.

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Generation rent counting on 'Bank of BAE' to get onto the property ladder

The FINANCIAL

Almost half of 18-35 year-olds plan to cash in on the 'Bank of BAE' to help get onto the property ladder, according to new research. The latest Halifax Generation Rent research found that 45% of 18 to 35 year-olds in UK want to buy their first home with their 'BAE' (partner or loved one). The study also revealed that twice as many men (one in five) than women admitted waiting for their 'BAE' to try and get on to the property ladderi.

Almost one in six (15%) plan to stay with their parents until they can afford to buy, so parents may be forced to sit tight in the meantime, as a third (32%) of young people aged 18 to 35 see themselves buying their first home within the next five years.

The bad news for parents of under 25s is that one in 10 don't see themselves becoming a homeowner for closer to 10 years. They are, however, still expecting a donation from the Bank of Mum and Dad, with fewer than one in five saying that inheritance isn't an option for them.

One in 20 of those under 35 have already given up the idea of owning their own home, with the same number admitting that they're not sure if buying a house is the right choice for them.

The research has highlighted for the first time a difference in mindset between men and women about buying a home, with women less confident about getting on to the property ladder – 42% claimed buying a house wasn't realistic, compared to 35% of men.

Continued on p. 8

Women Entrepreneurs Expect Big Cracks in the Glass Ceiling Over the Next 20 Years

See on p. 4

How much do Member States spend on education?

In 2015, over €716 billion of general government expenditure was spent by the Member States on education. This figure is equivalent to almost 5% (4.9%) of the EU's GDP. 'Education' is the fourth largest item of public expenditure, after 'social protection' (19.2%), 'health' (7.2%) and 'general public services' such as external affairs and public debt transactions (6.2%).

In 2015, the ratio to GDP of government expenditure for education varied by more than one to two across the EU Member States. Overall, 18 of the 28 Member States recorded a ratio of 5% or more.

Continued on p. 6

CURRENCIES

	Sep 2	Aug 26
1 USD	2.4387	▼2.4158
1 EUR	2.9057	▼2.8548
100 RUB	4.2132	▼4.0848
1 TRY	0.7088	▼0.6939

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CURRENT PRICES ON GASOLINE AND DIESEL

4 SEPTEMBER, 2017, GEORGIA

Gulf

	Prices in GEL
G-Force Premium	2.15
G-Force Euro Regular	2.07
Euro Regular	1.97
G-Force Euro Diesel	1.99
Euro Diesel	1.89
CNG	1.45

	Prices in GEL
Eko Super	2.30
Eko Premium	2.18
Eko Diesel	2.04
Euro Diesel	2.00
Euro Regular	1.99
Diesel Energy	1.90

	Prices in GEL
Euro Super	2.19
Premium Avangard	2.09
Euro Premium	0.00
Euro Regular	1.89
Euro Deasel	1.89

	Prices in GEL
Nano Super	2.29
Nano Premium	2.16
Euro Regular	1.96
Nano Euro Regular	1.96
Nano Diesel	1.87
GNG	1.44

	Prices in GEL
Euro Super	2.30
Efix Euro Premium	2.15
Euro Regular 93	1.94
Efix Euro Diesel	2.02
Euro Diesel	1.94

Credit Suisse Sued by Billionaire in Singapore and New Zealand, Bloomberg

The FINANCIAL -- Georgian billionaire Bidzina Ivanishvili sued Credit Suisse Group AG in Singapore, New Zealand and Bermuda, alleging the bank must have known about the actions of a former employee who forged trades to cover losses from other customers' accounts, Bloomberg reported.

According to the agency, Ivanishvili, an ex-prime minister of the former Soviet republic, filed the claims in Auckland at the New Zealand High Court on August 7, then in Bermuda 10 days later and in Singapore on August 25, court documents show. The lawsuits ask courts in the three jurisdictions to force the bank to hand over documents in the Georgian's case against a Credit Suisse banker and makes unspecified claims for losses that Ivanishvili's lawyers say they are still calculating.

Ivanishvili's former lawyers have argued that the Georgian businessman lost hundreds of millions of dollars in the case, which has also attracted at least five other plaintiffs from Russia including former Russian senator Vitaly Malkin.

Geneva Prosecutor Yves Bertossa issued an indictment against L. in June after spending more than a year hearing from witnesses and the banker himself about how he was able to carry on the unauthorized trading for years. The trial is scheduled to start in late November though it could be delayed.

According to Bloomberg, Credit Suisse said in a statement late Monday that it had only received the claim filed in New Zealand. "After a first review, the statement of claim does not present any new or previously unknown facts," the bank wrote. "It is mainly based on the issues/allegations arising out of the criminal proceedings against the former relationship manager in Geneva. Credit Suisse will take appropriate action to defend the claims."

Ivanishvili's lawyers say they are broadening the legal battle to countries where Credit Suisse had units through which L. invested.

In the Singapore and New Zealand proceedings, Ivanishvili is claiming losses incurred because bank allegedly abused his trust and because "trustees failed to monitor what the bank was doing," according to the statement. The Zurich-based bank took large commission payments from the unauthorized investment of capital in Credit Suisse products, Ivanishvili's lawyers allege. The Bermuda claim alleges "breaches of duty owed by Credit Suisse's Bermuda insurer" including "the failure to ensure the prudent investment of premiums."

Basic Trackers Take a Back Seat as Smartwatches Accelerate in the Second Quarter

The FINANCIAL

The worldwide wearables market was once again graced with positive growth as shipments grew 10.3% year over year, reaching 26.3 million during the second quarter of 2017 (2Q17), according to the International Data Corporation (IDC) Worldwide Quarterly Wearable Device Tracker.

The quarter also marked a turning point in the market as basic wearables (those that do not run third party apps) declined for the first time with annual growth of -0.9%. Meanwhile, smartwatches like the Apple Watch and Android Wear lineup grew 60.9% in the quarter thanks to fitness and fashion enthusiasts.

"The transition towards more intelligent and feature-filled wearables is in full swing," said Jitesh Ubrani senior research analyst for IDC Mobile Device Trackers. "For years, rudimentary fitness trackers have acted as a gateway to smartwatches and now we're at a point where brands and consumers are graduating to a more sophisticated device. Previous niche features such as GPS and additional health tracking capabilities are quickly becoming staples of the modern smartwatch. Just a year ago only 24.5% of all wearables had embedded GPS while today that number has reached almost 41.7%.

"Equally important to device features will be the algorithms tracking workouts and providing health insights," continued Ubrani. "There is growing interest from the medical industry to adopt wearables and consumer expectations are also on the rise. This is where companies like Apple and Fitibit have the potential to maintain their lead as their investments in the tracking and perhaps diagnosing of diseases will be a clear differentiator from low-cost rivals."

"Market growth favored new and emerging products in the second quarter," noted Ramon Llamas, research manager for IDC's Wearables team "Smartwatches recorded double-digit year-over-year growth, with much of that increase attributable to a growing number of models aimed at specific market segments, like the fashion-conscious and outdoor enthusiasts in addition to the technophile crowd, lower price points, and a slowly-warming reception from consumers and enterprise users alike. Factor in how smartwatches are taking steps to become standalone devices, and more applications are becoming available, and the smartwatch slowly becomes a more suitable mass market product.

"Meanwhile, we also saw triple-digit growth from clothing and earwear," continued Llamas. "These products are still in their initial stages, but by targeting specific market niches (performance tracking clothing for professional athletes) or providing unique value propositions (audio adjustment or language translation for earworn devices), these products are offering solutions to problems other than simply reporting data, and gaining traction."

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publicity

Women Entrepreneurs Expect Big Cracks in the Glass Ceiling Over the Next 20 Years

The FINANCIAL

The rules of business are changing, and women entrepreneurs are at the forefront of the transformation, according to the 2017 Bank of America Women Business Owner Spotlight, an annual study of more than 1,000 small business owners.

Women in the small business community see gender equality in the workplace on the horizon, as the study found that women entrepreneurs envision significant strides for women in the workforce over the next 20 years, with a majority believing that women will match or exceed men in a number of areas:

Eighty percent of female entrepreneurs foresee greater or equal representation of women in STEM (science, technology, engineering, math) fields compared to men in STEM.

Sixty-eight percent believe women will match or exceed men in executive leadership or C-suite role representation.

Sixty-six percent believe there will be more women-owned small businesses compared to those owned by men.

Sixty-one percent of women believe their wages will be equal to or greater than those of men.

Women entrepreneurs also believe there will be greater support for state-enacted paid maternity leave policies over the next 20 years. Seventy-one percent of women business owners believe that at least 25 states will have such a policy within the next two decades. As of August 2017, five states and the District of Columbia have a paid maternity leave policy in place or planned to take effect.

"Women entrepreneurs have articulated an inspiring vision for the small business community over the next 20 years – one of equal pay, leadership opportunities and greater support for those with families," said Sharon Miller, managing director, head of Small Business, Bank of America. "Within the context of a growing economy, this bodes incredibly well for the future of women in business."

Women business owners report work-life balance, though still lag behind men

While 61 percent of women small business owners report working more than 40 hours each week, 78 percent believe they have managed to find good balance between their work and home lives, though they still trail men by 7 percentage points (85 percent).

Overall, women mostly feel positive about their work, primarily using words such as "interesting" (52 percent), "fulfilling" (48 percent) and "enjoyable" (46 percent) to describe the average work week. Still, a sizable number also say an average week is "demanding" (46 percent) and "stressful" (33 percent), and more than one in five say it's "exhausting" – 8 percentage points higher than men (13 percent). Despite this, a majority report success in preventing work from interfering in their personal life, with 64 percent of women saying their role as a business owner does not regularly cause tension in their personal relationships, identical to their male counterparts.

Women are increasingly upbeat about the economy, though taking a wait-and-see approach on revenue, growth and hiring.

Women small business owners have shown significant increases in optimism toward the economy improving in the year ahead – including confidence in their local economy (45 percent in 2017 vs. 37 percent in 2016), the national economy (44 percent in 2017 vs. 25 percent in 2016) and the global economy (32 percent in 2017 vs. 16 percent in 2016). Even with women entrepreneurs' robust economic outlook, male small business owners are more optimistic that the local (54 percent), national (58 percent) and global (37 percent) economies will improve over the next 12 months.

Despite a substantial boost in economic confidence, the number of women small business owners who plan to grow their business over the next five years has declined (54 percent in 2017 vs. 60 percent in 2016), as has the number of women anticipating a revenue increase over the next 12 months (44 percent in 2017 vs. 54 percent in 2016). Nineteen percent of women entrepreneurs plan to hire in the year ahead, on par with 2016. Regarding their business outlook, women were largely in line with their male counterparts in terms of hiring (17 percent) and long-term growth (57 percent) plans, as well as revenue expectations (51 percent).

Economic concerns overall drop, while health care costs remain top worry

In addition to greater confidence in the overall economy, women entrepreneurs' positive outlook was also reflected by a drop in concern over a number of economic factors. When asked about potential economic concerns over the next 12 months, less than half expressed worry over:

Consumer spending (49 percent)
Corporate tax rates (45 percent)
Strength of the U.S. dollar (44 percent)
Commodities prices (42 percent)
Compliance with government regulation (41 percent)
A minimum wage increase (30 percent)

Even the cost of health care, which consistently ranks as the top economic concern, fell to 68 percent from 74 percent one year earlier.

Free Trade Agreement between Georgia and EFTA countries entered into force

The FINANCIAL -- The free trade agreement between Georgia and European Free Trade Association (EFTA) entered into force on 1st September 2017.

At this stage the agreement entered into force only among Georgia, Norway and Iceland. For Switzerland and Lichtenstein the agreement will enter into force in 3 month after the ratification of the agreement by both countries.

Georgia-EFTA FTA has been signed on 27th of June 2016 in Bern, Switzerland during the EFTA Ministerial.

It has to be noted that from the beginning parties agreed to conduct 4 rounds of negotiations, however negotiations have been finalized in 3 rounds due to the partie's effective and productive cooperation.

The agreement allows Georgian producers to export majority of their goods without tariff barriers to the additional 14-mln high purchasing power consumer market, according to Ministry of Economy and Sustainable Development of Georgia.

The agreement covers following issues: trade in goods, trade in services, sanitary and phytosanitary measures, technical barriers to trade, rules of origin, customs and trade facilitation, intellectual property rights, public procurement, competition, trade remedies and sustainable development.

Are rising vacancy rates and dwindling real estate yields becoming a problem for pension funds?

The FINANCIAL

In times of negative interest rates and low yields on the bond market, pension funds tend to invest heavily in real estate. However, rising vacancy rates and declining yields are considerably reducing the contribution that such investments make toward overall pension scheme performance. By contrast, foreign real estate offers significant investment potential. These are just some of the findings revealed by the latest Real Estate Pension Fund Benchmark from KPMG.

Significant increase in vacancy rates

The average gross yields within the real estate pool studied amount to 5.4% across all properties. At 5.3%, gross yields for the residential segment are below those for the mixed/commercial segment (5.6%). The high demand for residential investment properties is putting pressure on yields for this investment segment, with net yields falling from 4.7% in 2013 to 4.3% in 2016.

Residential properties make up 62% of the real estate pool studied, while 38% are for mixed or commercial use – most of these being mixed-use properties with a relatively high residential component. Investment in properties designed purely for commercial use remains something of a minority pursuit for pension schemes, while special-use properties hardly featured at all in the holdings of the pension funds studied.

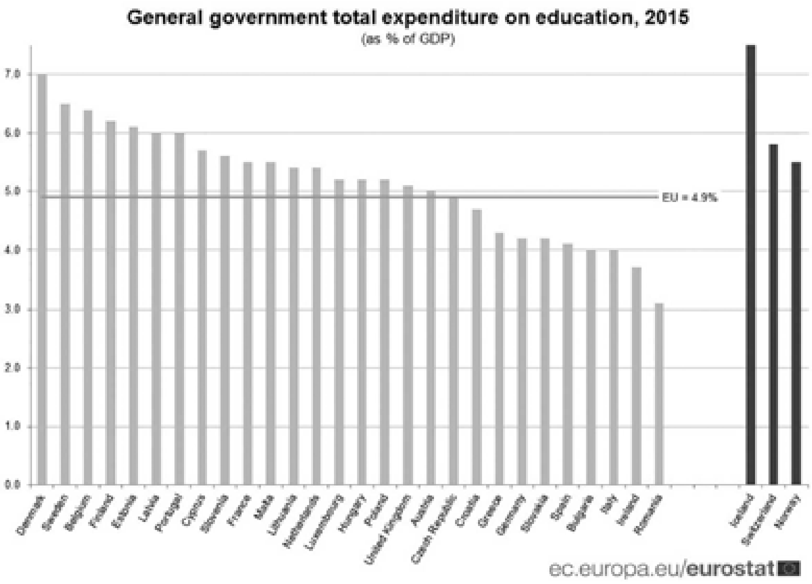
The vacancy rate or loss of yield across all the real estate investments of the pension funds studied amounts to 3.6% of the target rent for the year. Residential properties are suffering an average loss of yield of 2.9% (2016: 2.4%), while the vacancy figure for properties associated with mixed/commercial use is 5.6% (2016: 4.0%). Compared with the previous year, therefore, both segments recorded a significant increase in vacancy rates.

Ongoing reluctance to invest in foreign real estate

As pension funds and insurers are investing more heavily in real estate and its supply is limited, identifying suitable opportunities for investing in Swiss property is becoming more difficult. Investment in foreign real estate has therefore increasingly become a focus for discussion in recent years. The law allows foreign real estate to make up a maximum of 10% of pension funds' portfolios, with no more than 30% of their total assets to be invested in property of any kind. While many pension schemes are already exploiting the potential of the Swiss real estate market through a very high investment weighting, investments in foreign real estate remain relatively rare, accounting for just 1.3% of total assets.

"The increase in building activity in Switzerland and the falling benchmark interest rate are pushing vacancy rates up and causing rental income to stagnate or even fall," says Ulrich Prien, Head of Real Estate at KPMG Switzerland, summing up the results. "This means that pension funds are now experiencing greater pressure on yields in this investment class too. One alternative is investing in foreign real estate, although pension schemes often have no expertise in this area."

How much do Member States spend on education?



The FINANCIAL

In 2015, over €716 billion of general government expenditure was spent by the Member States on education. This figure is equivalent to almost 5% (4.9%) of the EU's GDP. 'Education' is the fourth largest item of public expenditure, after 'social protection' (19.2%), 'health' (7.2%) and 'general public services' such as external affairs and public debt transactions (6.2%).

Highest share of expenditure on education in Denmark, Sweden and Belgium

In 2015, the ratio to GDP of government expenditure for education varied by more than one to two across the EU Member States. Overall, 18 of the 28 Member States recorded a ratio of 5% or more.

At the lower end was Romania (3.1%), followed by Ireland (3.7%), Bulgaria and Italy (both 4.0%), Spain (4.1%), Germany and Slovakia (both 4.2%) as well as Greece (4.3%). In contrast, Denmark (7.0%) spent the most in relative terms, ahead of Sweden (6.5%), Belgium (6.4%), Finland (6.2%), Estonia (6.1%), Latvia and Portugal (both 6.0%).

1400 euros spent on average per EU inhabitant

Expenditure of more than €2500 per inhabitant was registered in Luxembourg (€4685), Denmark (€3368) and Sweden (€2977). At the opposite end of the scale, expenditure stood below €500 per inhabitant in Romania (€248), Bulgaria (€250) and Croatia (€494). On average in 2015, expenditure on 'education' amounted to €1405 per inhabitant in the EU.

Basic Trackers Take a Back Seat as Smartwatches Accelerate in the Second Quarter

Continued from p. 2

Company Highlights

Xiaomi maintained its lead in the second quarter as the company's expertise in driving low-cost devices remains unmatched. Though the Mi Band lineup was the most popular, Xiaomi also caters to the growing market of kids' devices and recently shipped its first pair of smart shoes under the Mijia brand. Shipments for the shoes were immaterial during the quarter though IDC anticipates this to gradually grow as Xiaomi gains traction in the clothing/apparel industry.

Apple's growth continued to outpace the market as the Series 1 and Series 2 are now mature products with the clear and concise purpose of fitness. This has boded well for Apple as the company has been slowly expanding its reach among health insurance providers. The release of the latest Watch OS later this year is also expected to bring much anticipated features like a Siri watch face to the wrist.

Fitbit finds itself in a period of transition. Early leaks and the recent official announcement of the Fitbit Ionic will help cement the company's place in the growing smartwatch market. However, short-term growth remains challenged as the product portfolio is vast and undifferentiated.

Garmin's decline of 6.6% from last year should not necessarily be seen as a negative as the company has managed to grow revenue. Transitioning existing users from basic fitness trackers to more advanced smartwatches like the Fenix lineup has worked well for the company. Recent developer outreach has also allowed Garmin's ConnectIQ platform to branch outside health and fitness.

Fossil entered the top 5 for the first time and much of this is credited to the acquisition of Misfit in late 2015. With a large distribution network of fashion stores and multiple brands Fossil managed to attract a previously unaware audience to the wearables market. While smartwatches from Michael Kors and Fossil took center stage, the company's hybrid watch lineup also gained traction.

financial news

Generation rent counting on 'Bank of BAE' to get onto the property ladder

Almost half of generation rent in UK banking on a 'BAE' (partner or loved one) to become homeowners

The FINANCIAL

Almost half of 18-35 year-olds plan to cash in on the 'Bank of BAE' to help get onto the property ladder, according to new research. The latest Halifax Generation Rent research found that 45% of 18 to 35 year-olds in UK want to buy their first home with their 'BAE' (partner or loved one). The study also revealed that twice as many men (one in five) than women admitted waiting for their 'BAE' to try and get on to the property ladderi.

Almost one in six (15%) plan to stay with their parents until they can afford to buy, so parents may be forced to sit tight in the meantime, as a third (32%) of young people aged 18 to 35 see themselves buying their first home within the next five years.

The bad news for parents of under 25s is that one in 10 don't see themselves becoming a homeowner for closer to 10 years. They are, however, still expecting a donation from the Bank of Mum and Dad, with fewer than one in five saying that inheritance isn't an option for them.

ONE IN SIX 18-35 YEAR-OLDS STAYING WITH PARENTS UNTIL THEY CAN AFFORD TO BUY

Home truths

One in 20 of those under 35 have already given up the idea of owning their own home, with the same number admitting that they're not sure if buying a house is the right choice for them.

The research has highlighted for the first time a difference in mindset between men and women about buying a home, with women less confident about getting on to the property ladder – 42% claimed buying a house wasn't realistic, compared to 35% of men.

Lack of income was unsurprisingly the biggest barrier for young people getting on to the ladder, with 55% of men blaming their salaries, compared to an overwhelming 70% of women.

Becky Spellman, psychologist and cognitive behavioural therapist, said: "It may feel surprising that twice as many men than women admitted waiting for their 'BAE' to try and get on to the property ladder, but this can be linked to the logic behind accessing a bigger mortgage as a result. There are many more complex reasons why women are less confident than men about getting on the property ladder, but it comes down to being financially confident. Women on average take fewer risks with their money, they also don't ask for pay rises in the work place or don't talk about money the same way men do.

"While younger generations of women do appear to be more money confident, more support is needed to help them think about finance, property and their futures in general in more positive terms."

"It's not difficult to see why so many young people are now waiting for a partner to take their first step onto the property ladder, as the average UK first-time buyer deposit reached a whopping £32,899 earlier this year", Martin Ellis, Halifax housing economist, said.

"With many people trying to fund day to day living while saving for a deposit for a first home may not even be able to imagine raising this amount of cash on top of all their regular outgoings, first-time buyers in the UK are still on average £651 a year better off buying their own home compared to renting.

"Getting to grips with the property market jargon, calculating what's affordable and understanding borrowing options available – including Government schemes – will help bring people looking to own their own home closer to the first step, no matter how far away they feel they are from reaching that first rung."

WOMEN LESS CONFIDENT THAN MEN ABOUT GETTING ONTO THE PROPERTY LADDER

'Genderation' rent

When considering priorities for their first home when they eventually are able to take the first step, amenities are a main priority for a quarter of men (25%) who said a future home would have to be close to a coffee shop, a gym and a pub (compared to 10% women).

On the other hand, women tend to think more about the bigger picture, according to the research, as more than a third (39%) felt that being able to raise a family in the home was important.

More than a quarter (27%) of women said having a large outdoor space for their future family is important, while only 16% of men felt this was a must-have in their first home. Being close to their family was important for more than a quarter for both men and women (28%), but being close to a partner's family was further down the list (9%).

First-time buyers are putting down an eye-watering average deposit of £106,577 in London, against £16,457 in Northern Ireland. The average house price paid by first-time buyers in the UK was the highest on record (£207,693) in the first half of this year, growing 50% over the past five years from £138,663 to £207,693 and outperforming price growth across the entire market (42%).

Despite the record-breaking prices, the number of people getting on the housing ladder has exceeded 150,000ii for the third time in four years, thanks to high levels of employment, low mortgage rates and government schemes such as Help to Buy.

Those determined to get on to the first rung of the ladder are looking to mortgage products for first-time buyers with deposits of as little as 5% and longer repayment terms help make monthly expenditure more manageable.

Russia, China, India Get $1.4 Billion In Loans Ahead Of BRICS Meeting

The loans were announced by the New Development Bank, which was set up in 2014 to be an alternative to the Washington-based World Bank. Of the total, $460 million will go toward updating the computer system of the Russian judicial system, $470 million toward developing rural water supplies in India, and the rest toward energy conservation and flood control in China.

Russian President Vladimir Putin, Chinese President Xi Jinping, and other leaders of the BRICS (Brazil, Russia, India, China, and South Africa) plan to attend the summit in Xiamen, China, on September 4-5.

Putin has said he will raise the subject of tensions on the Korean Peninsula at the meeting. In an article published on the Kremlin website on September 1, Putin said the standoff over North Korea's nuclear and missile program is "on the verge of a large-scale conflict."

Russian presidential aide Yury Ushakov told reporters in Moscow that Putin will push for a peaceful solution by following a road map laid out by Moscow and Beijing.

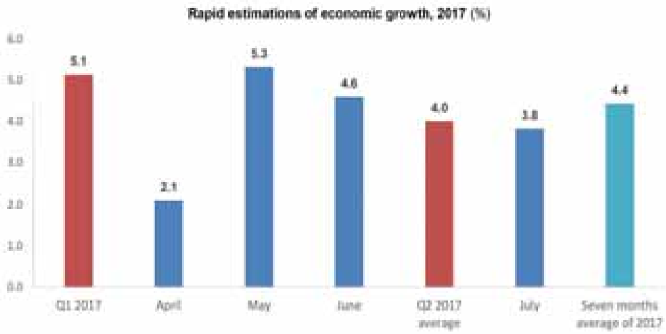
On the sidelines of the summit, Putin is scheduled to meet with the leaders of China, India, Egypt, South Africa, Thailand, and Mexico, the Kremlin said.

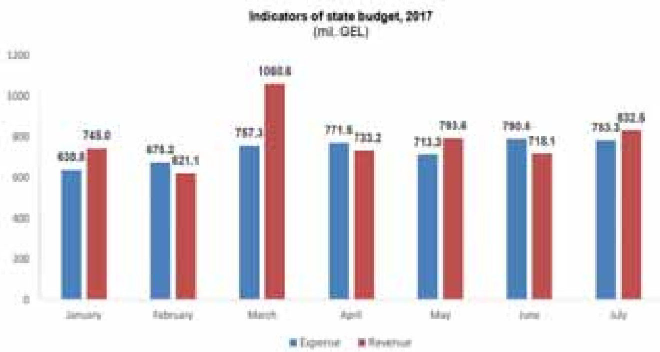
Based on reporting by AP, TASS, RFE/RL and Interfax

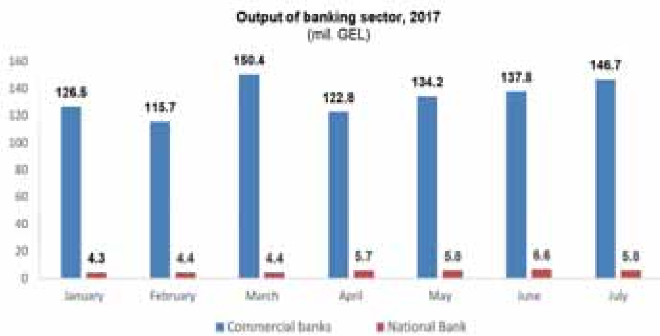
Rapid Estimates of Economic Growth July 2017

The estimated real Gross Domestic Product (GDP) growth rate amounted to 3.8 percent y-o-y in July 2017. The estimated real GDP growth for the first seven months of 2017 reached 4.4 percent y-o-y, according to Geostat.

The compilation of rapid estimates is an internationally adopted practice to obtain preliminary monthly growth of real GDP. For those sectors, where preliminary monthly data do not exist (e.g. agriculture, non-observed economy etc.), the estimations are based on the data for previous periods. Therefore, the actual quarterly real GDP growth may significantly differ from monthly rapid estimates.







Most Americans – especially Millennials – say libraries can help them find reliable, trustworthy information

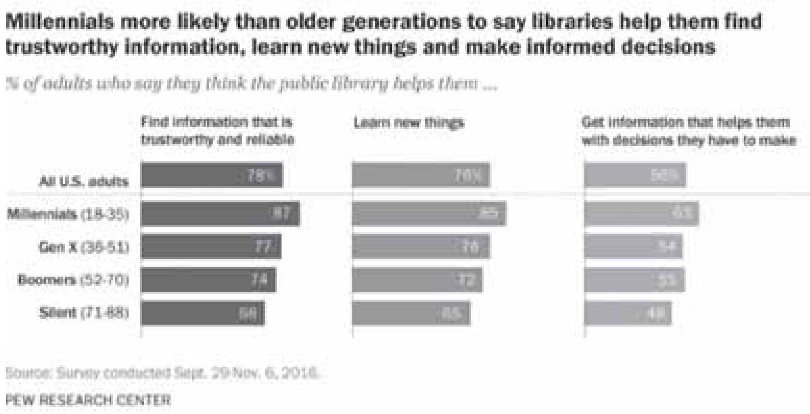
The FINANCIAL -- Americans struggle to determine what news and information sources they should trust and how to discern reliable information online. They worry that fake news is sowing confusion about current events. And many express a desire to get help.

About six-in-ten adults (61%) say they would be helped at least somewhat in making decisions if they got training on how to find trustworthy information online, according to a new analysis of Pew Research Center survey data from 2016. What's more, a majority of Americans say public libraries are helpful as people try to meet their information needs.

About eight-in-ten adults (78%) feel that public libraries help them find information that is trustworthy and reliable and 76% say libraries help them learn new things. Also, 56% believe libraries help them get information that aids with decisions they have to make.

On each of these questions, Millennials (those ages 18 to 35 in 2016) stand out as the most ardent library fans. Young adults, whose public library use is higher than that of older Americans, are particularly likely to say the library helps them with information.

A large majority of Millennials (87%) say the library helps them find information that is trustworthy and reliable, compared with 74% of Baby Boomers (ages 52 to 70) who say the same. More than eight-in-ten Millennials (85%) credit libraries with helping them learn new things, compared with 72% of Boomers. And just under two-thirds (63%) of Millennials say the library helps them get information that assists with decisions they have to make, compared with 55% of Boomers.



While the library is seen as one useful resource, the survey also found that 55% of adults say that training to gain confidence in using computers, smartphones and the internet would help in making decisions.

Blacks and Hispanics are more likely than whites to believe training would help them, both in how to use online resources and in gaining confidence with digital tools. Similarly, those with less than a high school diploma are more likely than those with at least a bachelor's degree to think training would help. And women are slightly more likely than men to express this view.

Many Americans believe public libraries help them in other ways, according to the survey:

65% say libraries help them grow as people.

49% think libraries help them focus on things that matter in their lives.

43% believe libraries help them cope with a busy world.

38% say libraries help them cope with a world where it's hard to get ahead.

27% think libraries help them protect their personal data from online thieves.

Beyond generational differences, there are some other demographic differences in views on how libraries can help. Women are somewhat more likely than men to report that libraries help them find information that is trustworthy and reliable (82% vs. 75%), learn new things (80% vs. 73%), grow as a person (69% vs. 61%), focus on things that matter in their lives (54% vs. 44%) and cope with a busy world (47% vs. 38%).

Hispanics are especially likely to say that the public library helps them learn new things, grow personally and focus on things that matter in their lives compared with smaller shares of blacks and whites who say the same. Hispanics are also more likely than whites and blacks to say the library aids them in coping with a busy world or with a world where it is hard to get ahead.

Those with less than a high school diploma are more likely than college graduates to say libraries help them in several areas: helping them focus on things that matter in their lives (63% vs. 46%), coping with a busy world (55% vs. 37%), coping with a world where it is hard to get ahead (54% vs. 30%) and protecting their personal data from online theft (48% vs. 18%).

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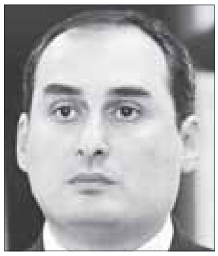
Dimitri Kumsishvili:

MINISTER OF FINANCE OF GEORGIA

As a result of a strict tax administration, incomes received from the gambling business has increased in the past years and exceed GEL 100 million



Valeri KVARATSKHELIA
FactChek

The Minister of Finance of Georgia, Dimitri Kumsishvili, upon commenting the issue of regulating gambling businees, stated the following: "Tax administration is of paramount importance. In this regard, as a result of strict tax administration in the past years, we managed to increase income from gambling business by 400%. Incomes from gambling business now exceeds GEL 100 million.

FactCheck took interest in the accuracy of the statement.

Gambling business in Georgia is taxed in a specific manner. In addition to taxes prescribed in the Tax Code of Georgia, Article 5 of the Law of Georgia on Gambling Business Fee imposes the cap of the fee, and within its margin, the local self-government independently defines the amount of the fee which is subject to payment in the local budget. In the past years, municipal councils of the self-government units have periodically been increasing the aforementioned fee, within the allowed margin. The ceiling of that fee has been increased significantly after the amendments were enacted in the Law of Georgia on Gambling Business Fee on 16 December 2016. The amount of money collected as fees on gambling business is given in the Table 1.

As illustrated by the table, the amount of incomes collected as fees has been increasing constantly in the previous years as well. However, after the changes in regard to the amount of fees has entered into force (1 January 2017), that figure increased significantly and the growth in of the first two quarters of 2017 constituted 76.9% as compared to the same period of the previous year.

At the same time, according to Point 10 of Article 7 of the Law on Georgia on License and Permit Fees for Gambling Business, there is one-time permit fee for the gambling business. Those fees have not been changed substantially for the past few years. Table 2 depicts the information provided by the Revenue Service of the Ministry of Finance about the payments made by gambling business as one-time permit fees.

According to the Tax Code of Georgia, major part of the gambling business is exempt from national taxes. However, taking into account that some gambling is organized in system-electronic form, which is not exempt from taxes, it is more appropriate to analyse total tax payments (Table 3) for taxes prescribed by the Tax Code of Georgia in order to have a comprehensive analysis of incomes received from gambling business.

At the same time, of importance note is that a taxpayer who owns the valid permit for gambling business can also have several other businesses simultenuously (including the ones not related to gambling business) and it is possible that figures given in the table cover transactions, which are not related to gambling business. According to the information of the Revenue Service, it is impossible to delineate taxes based on types of business activities alone.

Table 1: Trend of Changes of Fees On Gambling Business in 2010-2017

	2010	2011	2012	2013	2014	2015	2016	2016 6 mths	2017 6 mths
Taxation of Gambling Business (GEL Million	52.6	53.4	53.8	55.3	64.9	69.0	73.3	35.9	63.5
Changes (%)	-	1.6%	0.7%	2.9%	17.3%	6.2%	6.3%	-	76.9%

Source: State Treasury

Table 2: Amount of One-time Permit Fees in 2011-2017 (GEL Million)

	2011	2012	2013	2014	2015	2016	2016 6 mths	2017 6 mths
Permit fees to organize casino, gamin machines salon, betting house, lottery, bingo and promotional drawing games	27.2	48.3	49.7	56.4	47.0	50.3	15.1	18.9

Source: Revenue Service

Table 3: Changes in Total Amount of Taxes in 2011-2017

	2011	2012	2013	2014	2015	2016	2016 6 mths	2017 6 mths
Total amount of taxes (GEL Million)	20.7	31.2	42.8	57.0	97.7	101.1	55.8	70.6

Source: Revenue Service

CONCLUSION

THE AMOUNT OF GAMBLING BUSINESS FEES HAS BEEN GROWING PERIODICALLY IN THE PAST YEARS, WHILST SINCE 1 JANUARY 2017, CEILING ON THE FEES ON GAMBLING BUSINESS HAS INCREASED SIGNIFICANTLY, WHICH WAS DULY REFLECTED ON THE AMOUNT OF TAXES PAID BY THE AFOREMENTIONED SECTOR IN THE BUDGET. ACCORDING TO THE DATA OF THE FIRST TWO QUARTERS OF 2017, THE GROWTH CONSTITUTED 76.9% AS COMPARED TO THE SAME PERIOD OF THE PREVIOUS YEAR. THIS IN ABSOLUTE FIGURES IS GEL 63.5 MILLION AND IT IS EXPECTED THAT THE ANNUAL AMOUNT WILL EXCEED GEL 100 MILLION.

AT THE SAME TIME, THE AFOREMENTIONED FEE IS JUST ONE FORM OF TAXES PAID BY THE GAMBLING BUSINESS TO THE BUDGET, WHILST THE TOTAL AMOUNT OF TAXES COLLECTED FROM GAMBLING BUSINESS HAS SURPASSED GEL 100 MILLION THRESHOLD FOR MANY YEARS ALREADY. THEREFORE, THE MINISTER OF FINANCE HAS PRESUMABLY MEANT THE AMOUNT OF MONEY PAID SEPARATELY IN THE BUDGET AS GAMBLING BUSINESS FEES.

IN REGARD TO 400% INCREASE IN REVENUES, NEITHER TOTAL TAX PAYMENTS NOR ITS INTEGRAL COMPONENTS HAVE INCREASED IN THAT PACE IN THE PAST YEARS. CLOSE TO THAT FIGURE IS ONLY THE TOTAL ANNUAL CHANGES IN TAXES FROM 2011 UNTIL 2016, ALTHOUGH AS STATED BY THE REVENUE SERVICE, THAT NUMBER DOES NOT INCLUDE THE TAXES PAID ONLY BY THE GAMBLING BUSINESS.

FACTCHECK CONCLUDES THAT DIMITRI KUMSISHVILI'S STATEMENT IS **MOSTLY TRUE**.

MOSTLY TRUE

EUROPEAN ENDOWMENT FOR DEMOCRACY
G|M|F The German Marshall Fund of the United States
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Georgia Closes Gülen-Affiliated School in Tbilisi

Turkish Muslim cleric Fethullah Gulen sits at his residence in Saylorsburg, Pennsylvania, United States. (AP Photo / Selahattin Sevi, File)

Civil GEORGIA

The National Center for Education Quality Enhancement (NCEQE), an agency at the Georgian Ministry of Education, which studies conformity of educational institutions with standards set by the Georgian legislation, decided to close down the Private Demirel College in Tbilisi, operated by the Chaglar Educational Institutions, a Gülen-affiliated network in Georgia.

The NCEQE authorization council decided not to renew the school "authorization," a certificate required for any institution to carry out high educational activities in Georgia, at its meeting on August 29, citing problems with teacher and student registration, as well as the school infrastructure and equipment.

In the words of Revaz Apkhazava, one of the members of the NCEQE authorization council, the school had "numerous problems" and its closure had nothing to do with "the political question."

"The school enrolled Turkish citizens (students) in violation of Georgian legislation; it registered in a very short period of time that the students completed the Georgian-language program, which is a nonsense... the student registration procedures were not well-organized as well," Apkhazava told Civil.ge and added that the monitoring carried out at the College documented the illegal registration of 87 such students.

The Ministry of Education commented on the matter as well.

Nata Asatiani, head of the Public Relations Department, stated that the College had "violations," and added that the Ministry would assist in transferring the students and teachers to other schools in Tbilisi.

"We have reached out to a number of private schools and they have expressed readiness to accept Private Demirel College students and teachers," Asatiani noted.

The decision comes slightly over three months after the detention of Mustafa Emre Çabuk, one of the managers of the Private Demirel College. Çabuk was detained on May 24 at the request of Turkish authorities and was sent to three-month pre-extradition detention by the Tbilisi City Court a day later. On August 23, the Tbilisi City Court upheld the prosecution's motion and extended Çabuk's detention period by three months.

The Private Demirel College is the second Gülen-affiliated educational institution to have been shut by the Georgian Ministry of Education in 2017.

The NCEQE authorization council cancelled the school "authorization" of Batumi Refaiddin Şahin Friendship School on February 3, on the grounds that the school compliance monitoring revealed "significant problems with respect to student enrolment."

The Private Demirel College was founded in 1993 pursuant to the agreement of former Georgian and Turkish Presidents Eduard Shevardnadze and Suleyman Demirel, respectively.

Source: Civil Georgia

Germany's Merkel: North Korea Crisis Should Spur Disarmament Effort

BERLIN (Alliance News) - German Chancellor Angela Merkel has called for diplomacy in response to North Korea's recent missile tests over Japan, adding that the situation should be a spur towards disarmament in general.

"We have again entered a very difficult situation with the tests in North Korea," Merkel said in a government podcast released Saturday. "Despite this, I am of the firm conviction that this situation has to be solved diplomatically."

"It has to spur us even more to put disarmament efforts in motion," she added, saying that both NATO and Russia had a decisive role.

"We have seen that signing an agreement with Iran was still possible years later - through joint diplomacy. We have to develop similar activities now in regard to North Korea too," she said.

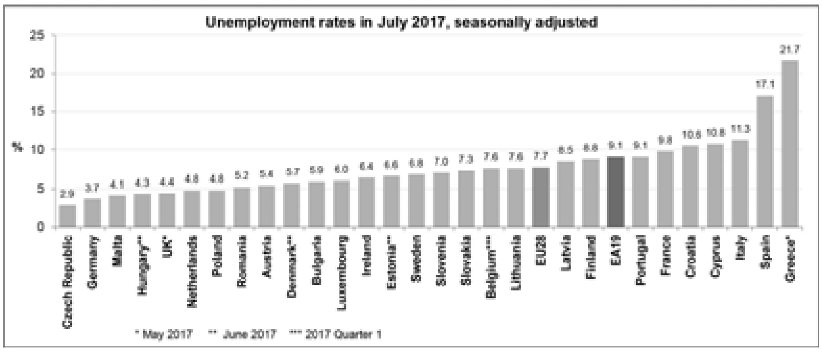
Euro area unemployment at 9.1%

EU28 at 7.7%

The FINANCIAL

The euro area (EA19) seasonally-adjusted unemployment rate was 9.1% in July 2017, stable compared to June 2017 and down from 10.0% in July 2016. This is the lowest rate recorded in the euro area since February 2009. The EU28 unemployment rate was 7.7% in July 2017, stable compared to June 2017 and down from 8.5% in July 2016. This remains the lowest rate recorded in the EU28 since December 2008. These figures are published by Eurostat, the statistical office of the European Union.

Eurostat estimates that 18.916 million men and women in the EU28, of whom 14.860 million in the euro area, were unemployed in July 2017. Compared with June 2017, the number of persons unemployed increased by 93 000 in the EU28 and by 73 000 in the euro area. Compared with July 2016, unemployment fell by 1.928 million in the EU28 and by 1.309 million in the euro area.



Member States

Among the Member States, the lowest unemployment rates in July 2017 were recorded in the Czech Republic (2.9%), Germany (3.7%) and Malta (4.1%). The highest unemployment rates were observed in Greece (21.7% in May 2017) and Spain (17.1%).

Compared with a year ago, the unemployment rate fell in all Member States for which data is comparable over time, except Finland where it remained stable. The largest decreases were registered in Croatia (from 13.2% to 10.6%), Spain (from 19.6% to 17.1%), Slovakia (from 9.7% to 7.3%) and Cyprus (from 13.0% to 10.8%).

In July 2017, the unemployment rate in the United States was 4.3%, down from 4.4% in June 2017 and from 4.9% in July 2016.

Youth unemployment

In July 2017, 3.792 million young persons (under 25) were unemployed in the EU28, of whom 2.670 million were in the euro area. Compared with July 2016, youth unemployment decreased by 450 000 in the EU28 and by 272 000 in the euro area. In July 2017, the youth unemployment rate was 16.9% in the EU28 and 19.1% in the euro area, compared with 18.7% and 20.8% respectively in July 2016. In July 2017, the lowest rate was observed in Germany (6.5%), while the highest were recorded in Greece (44.4% in May 2017), Spain (38.6%) and Italy (35.5%).

publicity

Labor Union Approval Best Since 2003, at 61%

The FINANCIAL -- In the U.S., 61% of adults say they approve of labor unions, the highest percentage since the 65% approval recorded in 2003. The current labor union approval is up five percentage points from last year and is 13 points above the all-time low found in 2009.

Unions have regained popularity since bottoming out at the beginning of the Obama administration in 2009. That survey marked the first and only time in Gallup's trend dating back to 1936 that support for unions was below 50%.

Historically, unions have enjoyed strong support from the American public. In 1936, 72% of Americans approved of labor unions. Union approval peaked in the 1950s when it reached 75% in 1953 and 1957. Approval remained in the 60% range throughout the 2000s, right up to the election of Barack Obama as president. After plummeting in 2009, union approval remained lower than in its heyday but began climbing.

Democrats Twice as Likely as Republicans to Approve Unions

Eighty-one percent of Democrats approve of unions this year -- significantly higher than the 42% of Republicans who approve. This disparity is not as stark as it was in 2011 when Republican approval was 26% and Democratic approval was 78%. Democratic approval of unions has been fairly steady over time, while the approval levels of independents and Republicans have fluctuated.

Republicans' approval of unions rose since last year, possibly due to the presidency of Republican Donald Trump. Even though Trump is not an avid supporter of unions, his rhetoric about restoring U.S. manufacturing jobs and cordial relations with some top labor union leaders at the start of his term may have softened Republican attitudes about unions.

Republican approval of unions is similar to when the last Republican president, George W. Bush, left office. It is possible that Republicans may now perceive unions as less threatening because Trump is unlikely to expand their power.

More Americans Would Like to See Labor Unions Have Greater Influence

As more U.S. adults approve of unions, their interest in wanting unions to have more influence is also on the rise. Thirty-nine percent of Americans would like unions to have more influence -- the highest figure recorded in the 18 years Gallup has asked this question.

Consequently, those who want labor unions to have less influence is at a record low of 28%. Thirty percent want unions to have the same influence as today.

The "influence" response mirrors the "approval" response in that the more Americans approve of unions, the more they want them to have greater influence. When support for unions dipped in the late 2000s and early 2010s, so too did the idea of unions having more influence.

Still, Americans remain more pessimistic than optimistic about unions' future. Forty-six percent say they think unions will become weaker than they are today, while 27% say they will be the same and 22% say stronger.

Bottom Line

For the past 80 years, unions have been an integral part of the American labor force. Since 1936, shortly after Congress legalized private sector unions and collective bargaining, U.S. adults have approved -- sometimes overwhelmingly -- of labor unions. This trend has endured despite a historical decrease in union membership; Gallup's latest survey shows that 10% of Americans report personally being a union member, while 16% live in a union household.

Unions have regained the approval of the American people after dropping during the Great Recession. As more time passes since the bailout of two of the Big Three auto companies, a possible reason unions dipped in approval, it appears that unions are once again solidly popular.

There are likely limits to this approval, however. Republicans' lower approval of unions, as part of a growing political polarization on a number of issues, means that solid union support may never return to the levels seen from the 1930s to 1960s.

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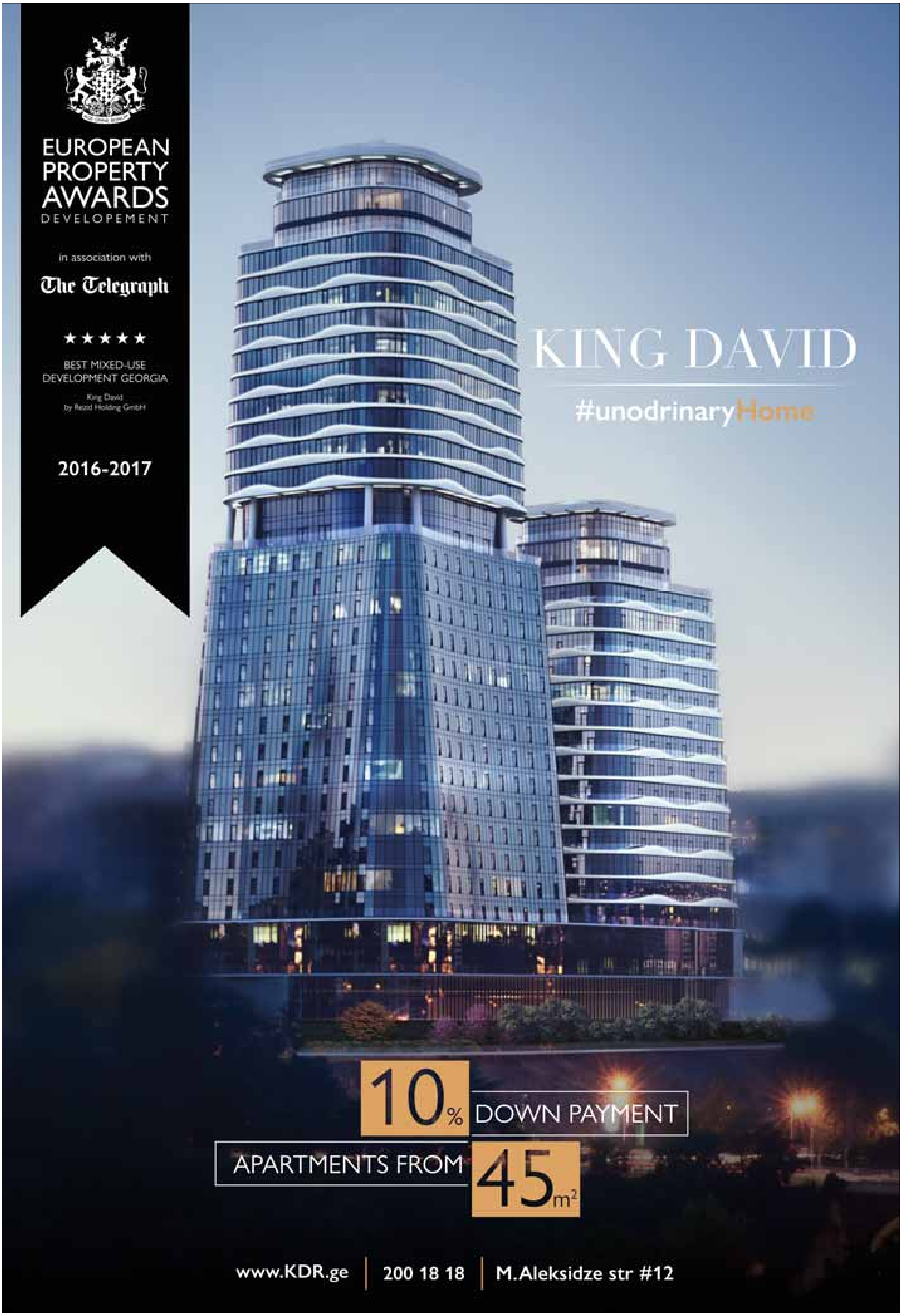
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Deloitte records double-digit revenue growth

The FINANCIAL

Deloitte, global business advisory firm said revenue by the end of May 2017 is up 11.2% to £3.4bn . This is the seventh consecutive year of revenue growth and the second consecutive year of double-digit growth. In the UK, double digit growth is reported in Consulting and Audit and Risk Advisory. Switzerland revenue growth excluding currency benefits was 14.4%. Company said it recruited 1,600 school leavers, interns and graduates last year.

Deloitte has increased revenue by £340m in the year ended 31 May 2017, from £3,040m to £3,380m.

Deloitte Switzerland grew by 14.4% to CHF564m (£439m: 31%). Distributable profit for 2017 was flat year on year at £608m and average profit per equity partner was £865,0002.

"This is a good performance in a complex and uncertain market which has been impacted by Brexit and the elections in the US and UK', David Sproul, Senior Partner and Chief Executive of Deloitte, commented. "Our Consulting and Audit and Risk Advisory businesses both grew by double-digits. Consulting has continued to see significant demand for technology-enabled business transformation and there has been further strong growth in Deloitte Digital, our creative digital consultancy. The firm won a series of major audits this year, including BAE Systems, BP, Centrica and GlaxoSmithKline which has taken our share of the FTSE 100 audit market to 26% and we saw further success in the FTSE 250, private and international markets. Our Risk Advisory business has seen increasing demand for supplier risk, cyber and regulatory advice".

"Growth in tax was driven by the global tax reset, Brexit and the possibility of US tax reform, alongside continued demand for technology-enabled compliance services. Financial Advisory advised on 87 M&A deals last year with a total value of more than £7bn and we advised on 38% of main market IPOs. We also saw strong growth in forensic driven by a number of large investigations and regulatory remediation work across Europe. From an industry perspective, growth was notable in Consumer and Industrial Products and Life Sciences and Healthcare.

In the past 12 months, Deloitte has announced a number of technology alliances and acquisitions. These include an alliance with Apple designed to help companies use the iOS platform in the workplace and with McLaren Applied Technologies to build data-driven business products. The firm also completed the acquisition of Market Gravity and has continued to invest in further developing its creative consulting capabilities with the acquisition of Swedish creative agency Acne announced earlier this month.

Sproul said: "Our clients are operating in a more globally connected way than ever before, and are increasingly turning to us not only for advice, but also for digital and physical products to solve their problems. Through these alliances and acquisitions we will see Deloitte increasing our recruitment in the areas of digital design and big-data analytics."

The firm recruited more than 3,500 people in the last financial year including more than 1,600 school leavers, interns and graduates. This includes a record number of new joiners to our BrightStart Apprenticeship Scheme. More than 200 school leavers joined Deloitte through this scheme in FY17 and this number will increase again to almost 300 in September's intake.

"We are also beginning to see the positive impact of actions taken to attract a more diverse workforce and help improve the UK's record on social mobility. Our use of contextualised academic data has resulted in more than 100 people joining Deloitte who previously wouldn't have passed our selection criteria. These successes contributed to Deloitte being ranked 5th in the UK's first Social Mobility Employer Index. Regionally, Deloitte now employs nearly 6,000 people across 22 offices and this year, the firm has announced job creation programmes in Belfast, Cardiff and Newcastle".

Deloitte promoted more than 5,000 people this year as it seeks to retain its talent, while in the UK, the firm promoted 57 new partners and recruited a further 30. The proportion of female partners in the UK now stands at 19%, up from 14% in 2014. Deloitte has a target that 25% of partners will be women by 2020.

This year, Deloitte launched its social impact strategy, One Million Futures, which over five years aims to support one million people in the UK. "We're working with over 50 society partners to help improve education, skills and employability. Over the past year this has included supporting more than 4,800 pupils in low-income communities through our Deloitte Access programme", Sproul added.

"Our priority is to ensure our talent pool is diverse and reflects the make-up of today's society and we are proud of the progress made so far. We will continue to work hard to show that everyone can thrive, develop and succeed in our firm. We also recognise the difference we can make by improving access to education and training across society more broadly. Through One Million Futures we want to help people overcome barriers to education and employment and in the process raise aspirations, improve skills and develop leaders."

On 1 June 2017, Deloitte North West Europe came into effect, bringing together over 30,000 people across the UK, Switzerland, the Nordics, Belgium and the Netherlands to create a new €5bn firm.

Sproul concluded: "Deloitte North West Europe provides the scale, and the means, to increase our investment in the innovation clients need, and provide more growth and opportunity for our people. It will also play a part in helping us consistently embed quality in all we do."

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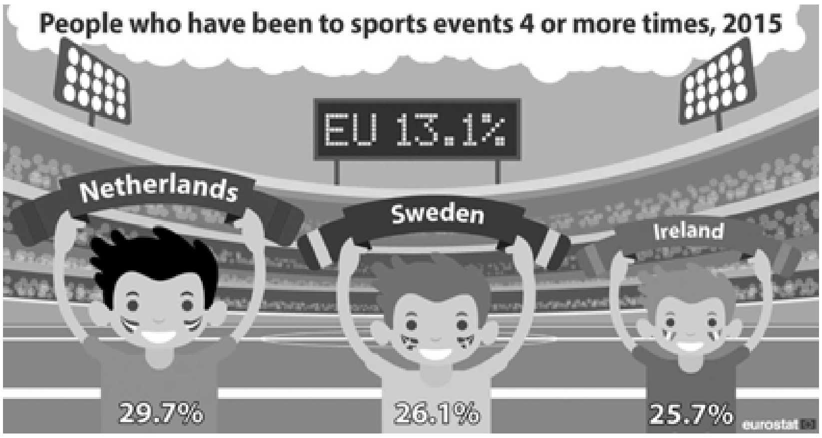
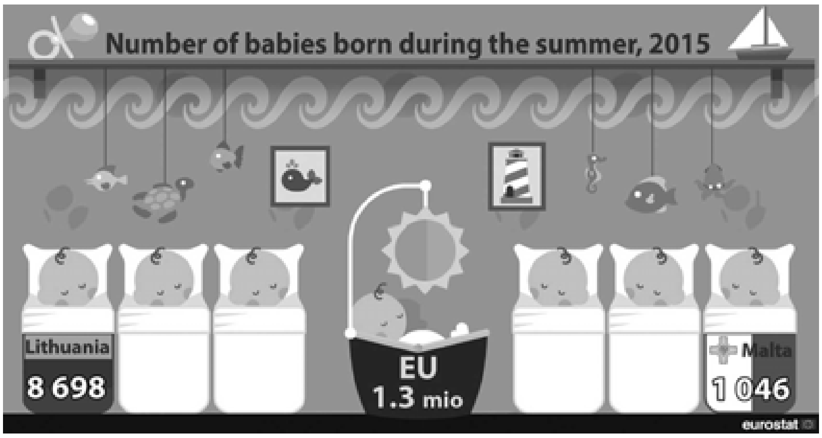


The FINANCIAL

The most frequent visitors of sports events in the EU live in the Netherlands. In 2015, 29.7% of the population said that they had been to sports events at least four times. They were followed by the residents of Sweden (26.1%), Ireland (25.7%) and Luxembourg (21.8%).

In total, 13.1% of the EU population attended sports events at least four times in 2015.

One quarter of all babies are born in summer



The FINANCIAL

During the months of June, July and August 2015, 1.3 million babies were born in the EU, which represented 26% of all babies born that year, according to Eurostat.

The highest share of babies born during these summer months was registered in Lithuania (8 698 babies or 28% of all babies born in the country that year) and the lowest in Malta (1 046 babies or 24%).

Bank of Georgia Signs $75 Million Trade Finance Facility with ADB, IFC, Citibank

The FINANCIAL -- Bank of Georgia has signed a $75 million one-year Club Trade Finance Facility (Club Trade Facility) arranged by Citi with the Asian Development Bank (ADB) and the International Finance Corporation (IFC), a member of the World Bank Group.

This is the fourth Club Trade Facility arranged by Citi for Bank of Georgia, which attracted several international investors during the syndication.

Bank of Georgia is a leading Georgian bank, based on total assets (33.8% market share), total loans (31.5% market share), and client deposits (31.5% market share) as of 30 June 2017.

Proceeds of this year's Club Trade Facility will support import and export transactions for top corporate customers of Bank of Georgia, increasing the volume and value of trade transactions in Georgia's key economic sectors, including agribusiness, transportation, and energy.

"As the leading trade finance business provider in the country, Bank of Georgia puts a great importance on consistently providing the best solutions to its clients," said Kaha Kiknavelidze, CEO of Bank of Georgia. "This new facility will further strengthen the bank's position in the trade finance segment and will help us meet the evolving needs of our corporate client base. We are very pleased to once again cooperate with our established partners and I would like to take the opportunity to thank Citi, ADB, and IFC for their continuous successful collaboration."

"Citi's global reach and expertise in financing trade flows puts us in the ideal position to help support progress and growth in developing markets," said Peadar Mac Canna, EMEA Head of Trade Finance at Citi. "By facilitating this landmark Club Trade Facility for Bank of Georgia, we have been able to form a partnership with a number of industry professionals to ensure we can provide the ideal solution for Bank of Georgia's trade financing needs."

ADB's TFP in Georgia has supported over $91 million in trade through 45 transactions since 2011. Out of this, 31% have been SME-related deals.

"Bank of Georgia is one of IFC's key partners in Europe and Central Asia, and it has played a critical role in expanding trade into new markets and helping local SMEs grow and create jobs," said Jan van Bilsen, IFC Regional Manager for the South Caucasus. "IFC's participation in this recent transaction through its Global Trade Liquidity Program is yet another way to ensure the availability of funds to local enterprises, helping facilitate trade and drive job creation."

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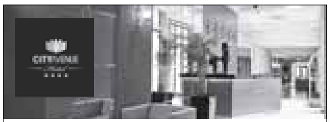

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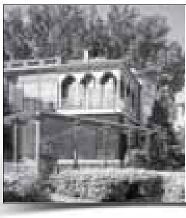

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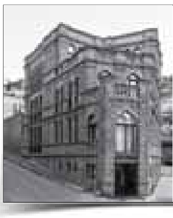

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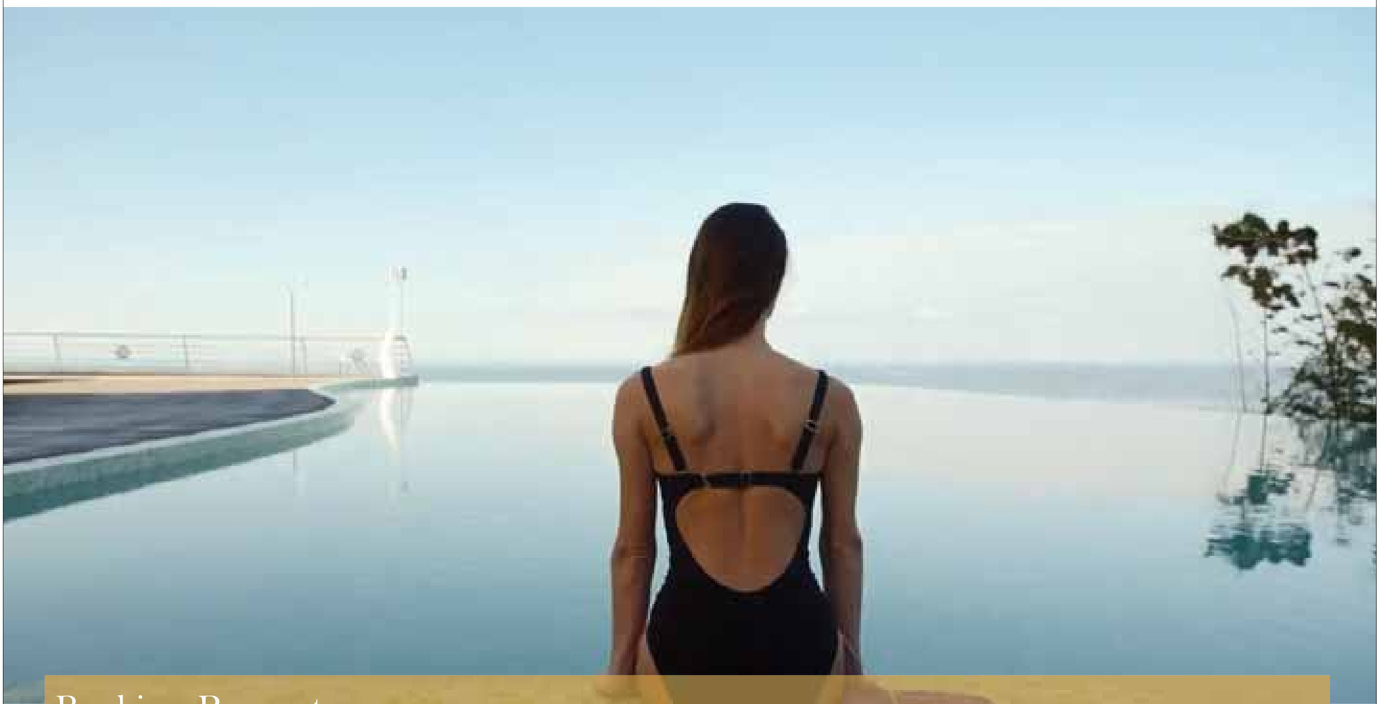

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