

Summary

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Executive Summaries of Articles Executive Summaries of Articles China builds financial ties to Neighbours

China is taking concrete steps to build its economic ties with the neighboring countries enfeebling the ties of Asian states with that of United States of America. China is competing for more trade and economic deals to emulate its economic clout with USA. In this regard, recently china has clinched a deal with South Korea removing tariffs on 90 percent of the goods and looking for a similar deal with Australian trading partners. For politico-economic reasons, china's central Bank has pushed up the strictly controlled currency value making the goods of other countries competitive in china. Chinese security regulators also allowed traders of Shanghai and Hong-Kong to trade on each other's markets. In terms of ex-Chief economist of the World trade organization these Chinese acts are to show Chinese leadership of the region, and it also depicts Chinese political ambitions. China has also made a deal with the United States in order to remove tariffs on variety of Information technology products. Both countries will also attempt to make other countries pursue the same strategy under the World Trade Organization (Bradsher & Stevenson, 2014).

2) Warren Buffett to Buy Duracell in \$4. 7 Billion Stock Deal

Warren E. Buffett's ' Berkshire Hathaway' is decided to buy ' Duracell' from Procter & Gamble, valued at \$4. 7 billion by swapping his holding in P&G with the re-known battery company. The deal is named as ' cash-rich-split-off'. Through this deal, Warren E. Buffett found a way to buy a well-known brand without much tax bill. Internal Revenue service allowed such sell without big tax hit. On the other hand, P&G has decided only to focus on its major money making businesses of toothpaste, detergent, and razors. Mr. Buffett has been <https://assignbuster.com/summary-essay-samples-74/>

a strong advocate of higher personal taxes. However, like many other companies, using so-called inversion; Mr. Buffet has traded with many high-named companies. However, he has called the two paradoxical actions as consistent and strongly defended his actions in media. Mr. Buffet is more inclined in buying companies than holding major stakes. The purchase of Duracell, which makes 25% of the global battery market, is in the same line of actions. On the other hand, P&G is pursuing a policy of shedding its small businesses (De La Merced, 2014).

3) U. S. judge hits RBC with \$76 million in damages tied to Rural/Metro deal
Delaware Court of Chancery Vice Chancellor said Royal Bank of Canada ought to pay \$75. 8 million to cover losses incurred by Rural/Metro's former shareholders due to RBC's inability to disclose the conflicts in interest that tainted the \$438 million buyout of the ambulance operator. The Delaware judge found difference of \$4. 17 per share between the value of the share and the payment made (Hals, 2014).

4) Big Banks Fined in Currency Case

American, British and Swiss regulators have imposed fines on five biggest banks of the world for conspiring to manipulate the foreign currency market. These banks include UBS, HSBC, RBS, JPMorgan Chase and Citigroup. The aim of the fines was to discourage improper conduct by the employees. The Britain ' s Financial conduct authority imposed 1. 1 billion pounds, United States' Commodity Futures Trading Commission imposed \$1. 4 billion, and Switzerland fined UBS about \$138 million. Some of the banks and individuals are expecting criminal charges including the 30 traders, which were fired or suspended after internal investigation at the banks. The Justice Department is also carrying out investigation and likely to file a case. In the meanwhile

Bank of England committee in its own report after investigation rejected any involvement of any official of Bank of England in unlawful or improper act in the market, or with Forex traders (Ember, 2014).

5) Allergan Nears a Deal with Actavis to Block a Takeover by Valeant

To avoid takeover by Valeant Pharmaceuticals International, Allergan is about to sell itself to Actavis for more than \$62.5 billion. It would put an end to the bitter merger battle between the two bidders. Actavis will pay \$210 a share. With this amount, this deal will be one of the greatest transactions of the year. Allergan is the maker of Botox and is expecting that Valeant will cut numerous costs to make the deal financially workable. Valeant has put pressure through 'Pershing Square' that holds 9.7% interest in Allergan. In the struggle, Valeant made attempts in order to get a deal, but was strongly rejected and later sued in the court by Allergan for alleged violation of trading laws. Allergan also tried to draw a deal with Salix Pharmaceuticals, but the deal failed. Later, Allergan talked successfully with Actavis and likely to clinched a deal very soon (Merced, 2014).

6) Toray in expanded \$8.6 bln carbon fibre deal with Boeing

Japanese Toray is engaged in a contract with Boeing Co. for supplying carbon fiber for Boeing Co's 777X passenger jet along with 787 Dreamliner. The contract is of worth of \$8.6 billion. The new deal will extend the Toray's contract with Boeing to more ten years. Japanese play key role in Boeing Co. as around 22,000 engineers in Japan already work on Boeing Jets. Toray is investing 100 billion yen on the project. The first 777X was due to deliver in 2020. However, Boeing has already got demands of some 300 orders and commitments, believing it to be 20% more energy efficient than 777. Toray's shares declined to 842.1 yen from 857.4 yen (\$1 = 115.7 Japanese yen)

since 2008 (Kelly, 2014).

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