Qatar's office boom continues despite cooling rental index

JOEL JOHNSON
THE PENINSULA

DOHA: Doha's office market surged past 7.3 million square meters of leasable space in Q1 2025, driven by a wave of new completions, including Marina 31, Corniche Park Towers, and Baraha Motor City, stated ValuStrat in its recent report. However, rents continue to slide, signaling a growing imbalance between supply and demand in Qatar's commercial real estate sector.

Anum Hassan, Head of Research at ValuStrat stated: "This quarter marks the launch of our new Office Rental VPI, designed to provide a more granular view of the commercial sector. Covering over 90 percent of the national office supply, the index captures performance across seven major clusters, segmented by Grade A and Grade B/C classifications. As of Q1 2025, the office rental index registered 97.4 points, indicating a quarterly decline of 1.5 percent and a 2.6 percent YoY. Weighted average rents across the country stood at QR95 per sq m per month. Grade A offices saw a quarterly reduction of 1.8 percent, averaging QR116 per sq m, while Grade B/C spaces remained steady at QR67per sq m per month."

A file photo of the commercial buildings in Doha, Qatar.

In the first quarter of 2025, Doha's ever-evolving skyline experienced a substantial expansion, with approximately 60,000 square meters of gross leasable area (GLA) added to the office market.

In the first quarter of 2025, Doha's ever-evolving skyline experienced a substantial expansion, with approximately 60,000 square meters of gross leasable area (GLA) added to the office market. With the inclusion of high-profile developments such as Marina 31, Corniche Park Towers, and a sleek new office complex in Baraha Motor City, the city's total office supply has now surged past 7.3 million sq m of GLA.

Despite the impressive growth, rental returns have started to feel the pressure of oversupply. "Demand hasn't kept pace with the aggressive pipeline we've seen over the past 18 months," said Samir Hussein, Senior Market Analyst. "Vacancy rates are climbing, especially in Grade A segments. What we're witnessing is a natural correction."

Analysts noted that Grade A office spaces—those with the highest specifications and typically located in prime districts remained heavily concentrated in the Doha municipality, representing nearly 60 percent of the total. Lusail, the rising urban hub, now accounts for an additional 40.5 percent, a notable figure given its relatively recent emergence as a business district.

However, supply outpacing demand had an inevitable effect on pricing. ValuStrat's Office Rental Index showed a decline to 97.4 points in Q1 2025, slipping 1.5 percent from the previous quarter and down 2.6 percent compared to the same period last year, when the baseline was established at 100 points. "Landlords are beginning to offer significant incentives. Rent-free periods, flexible fit-out arrangements, and even shared service packages are now commonplace. It's become a tenant's market, "said Hussein.

➔P10

China's service trade grows 8% in H1 2025

BEIJING: China's service trade maintained steady growth in the first half of this year, with total imports and exports reaching 3.89 trillion yuan (about $544.9bn), up 8 percent year on year, the Ministry of Commerce said yesterday.

Specifically, service exports rose 15 percent to 1.69 trillion yuan, while imports increased 3.2 percent to 2.2 trillion yuan, according to the ministry's data. The service trade deficit narrowed by 152.2bn yuan compared to the same period last year.

Knowledge-intensive services saw continued growth in trade, with imports and exports totaling 1.5 trillion yuan, up 6 percent year on year.

Travel service was the largest service trade category during the first half, with total trade volume reaching 1.08 trillion yuan, up 12.3 percent from a year earlier.

Notably, the exports of travel services surged 68.7 percent during the period, according to the data. *— XINHUA*

QFC partners with ILO and HBKU to launch skills study in financial sector

THE PENINSULA

DOHA: The Employment Standards Office of the Qatar Financial Centre (QFC), a leading onshore financial and business centre in the region, in collaboration with the International Labour Organization (ILO) – Doha Office and Hamad Bin Khalifa University (HBKU), conducted a skills study in the financial sector, and has subsequently, launched a landmark policy brief titled "Identifying Skills Needs in Qatar's Financial Sector – A QFC Perspective for Policymakers". The brief was published on a globally recognised ILO platform, underscoring Qatar's commitment to future-ready workforce planning and inclusive labour policy.

The policy brief offers data-driven insights into the current and emerging skills most in demand across QFC-licensed firms, covering areas such as digital finance, risk analysis, regulatory compliance, ESG awareness, data literacy, and human capital leadership.

It also serves as a practical guide for policymakers, regulators, and industry stakeholders to align talent development strategies with the country's economic diversification goals and national workforce agenda.

A file photo of the Qatar Financial Centre in Doha.

The brief reflects the Employment Standards Office's broader mandate to promote transparent and fair labour practices and a human-centred approach to enhancing business performance and productivity, in line with the Qatar National Vision (QNV) 2030, the Third National Development Strategy, the United Nations Sustainable Development Goals (UN SDGs) and the "Social" element of the Environmental, Social, Governance (ESG) metrics.

By promoting and monitoring regulatory compliance, the Employment Standards Office ensures that employment standards and policies not only uphold the rights of individuals but also strengthen the integrity of the QFC ecosystem.

Emphasising QFC's ongoing commitment to advancing Qatar's long-term development goals, Yousuf Mohamed Al-Jaida, CEO, QFC, said: "Multi-stakeholder collaborations are critical in designing workforce policies that not only support Qatar's economic ambitions but also advance the United Nations Sustainable Development Goals.

By drawing on diverse perspectives and expertise, we can build more inclusive and resilient markets that deliver

The policy brief offers data-driven insights into the current and emerging skills most in demand across QFC-licensed firms, covering areas such as digital finance, risk analysis, regulatory compliance, and ESG awareness.

long-term value to both people and the economy."

Luigia Ingianni, Commissioner of the Employment Standards Office, QFC, added: "This study particularly reinforces our dedication to promoting and achieving SDG 5 (Gender Equality), SDG 8 (Decent Work and Economic Growth), and SDG 17 (Partnership for the Goals), and highlights the benefits of a collaborative approach to creating inclusive and sustainable employment practices in the financial sector."

Reflecting on the evolving role of the Employment Standards Office in supporting the State of Qatar in pursuing the Third National Development Strategy and its "Future-Ready Workforce" objective, Maha Tawfik, Head of Monitoring and Labour Affairs at Employment Standards Office, QFC, remarked: "Our responsibility is to ensure regulatory frameworks are informed by comprehensive and robust data, enabling targeted interventions that cultivate a resilient, adaptive, and inclusive financial sector workforce."

"For this reason, we have established the Labour Market Information System to collect and analyse labour market data and trends and define policies to address the gaps and make the workforce ready for the future of work. This alignment with both national priorities and international labour standards is essential to fostering sustainable growth and equitable opportunities in Qatar's fast-evolving economic landscape."

Since its establishment in 2015, the Employment Standards Office has championed ethical employment practices and regulatory excellence.

The launch of this study and the subsequent publication of the policy brief mark a new phase in the Employment Standards Office's impact – supporting a resilient, inclusive, and future-focused workforce.

Singapore launches 'Economic Strategy Review' to navigate global shifts

SINGAPORE: Singapore announced yesterday a comprehensive review of its long-term economic strategy, forming a high-level group comprising five specialised committees, to strengthen the country's economic relevance amid global structural shifts such as geopolitical realignments and technological disruption.

Deputy Prime Minister and Minister for Trade and Industry Gan Kim Yong **(pictured)** unveiled the initiative, dubbed the Economic Strategy Review, saying that it will build upon insights from past economic reviews while embracing new ideas and approaches.

The review will involve extensive consultations with businesses, workers, and other key stakeholders in the coming months. The five committees are expected to release a report with their recommendations by mid-2026.

This initiative is also part of the broader Singapore Economic Resilience Taskforce, chaired by Gan and established in April to help businesses and workers adapt to emerging uncertainties arising from U.S. tariffs.

The committees will focus on five key strategic areas. These include strengthening Singapore's global competitiveness by refreshing its comparative advantages, and harnessing technology and innovation to drive broad-based growth and capture emerging opportunities.

At the same time, the review will explore ways to foster a vibrant entrepreneurial ecosystem that supports startups from inception to scale, and to enhance the nation's human capital so that Singaporeans are well-equipped to access quality jobs.

Equally critical is the need to manage the impact of economic restructuring, ensuring that all can benefit from the country's future progress.

Last week, the central bank said the effective U.S. tariff rate on Singapore's exports rose to 7.8% in July from 6.8% in April on the back of steel and aluminium tariff hikes.

While the economy grew at a better-than-expected annual rate of 4.3% in the second quarter, according to preliminary data, authorities have warned that growth is likely to slow as the impact of frontloading of orders to beat the U.S. tariffs tapers off. *— XINHUA*

Seoul shares end higher on bargain hunting, won sharply up

SEOUL: South Korean stocks closed higher yesterday as investors purchased blue chip shares at bargain rates after a steep fall last week and on heightened expectations for the US Federal Reserve's pivot to monetary easing. The Korean won rose sharply against the US dollar.

The benchmark Korea Composite Stock Price Index climbed 28.34 points, or 0.91 percent, to close at 3,147.75.

Trade volume was a little slim at 291 million shares worth 9.66 trillion won ($6.98bn), with winners outnumbering losers 677 to 209.

Yesterday's gain came after the Kospi fell at the steepest pace in nearly four months on Friday amid investor sentiment dampened by the government's proposal for a tax revision aimed at raising taxes on corporations and stock investors.

Institutions and foreigners bought local shares worth 131.8 billion won and 83.3bn won, respectively, while retail investors sold a net 300 billion won. "The Kospi rebounded after a 3.9 percent drop last Friday on bargain hunting," Lee Kyoung-min, an analyst at Daishin Securities, said.

An electronic board showing the Korea Composite Stock Price Index at a dealing room of the Hana Bank headquarters in Seoul, South Korea, yesterday.

News reports on the ruling party's possible reconsideration of the tax revision proposal also boosted investors' risk appetite, he added. Lee noted weaker-than-expected US jobs data earlier spread woes over a possible economic recession in the world's biggest economy but also fueled hopes the Fed may go for multiple rate cuts later this year.

On Friday, Wall Street lost ground following the release of the US jobs report for July, which indicated the Donald Trump administration's tariff policies were weighing on employment in America.

The Dow Jones Industrial Average closed 1.23 percent lower Friday, with the tech-heavy Nasdaq composite sliding 2.24 percent. The S&P 500 index fell 1.6 percent.

In Seoul, market top-cap Samsung Electronics rose 1.16 percent to close at 69,700 won, while chip giant SK hynix remained unchanged at 258,000 won.

Top internet portal operator Naver jumped 3.11 percent to 232,500 won amid expectations for the country's push to foster the artificial intelligence industry, and leading nuclear power plant builder Doosan Enerbility soared 4.72 percent to 64,300 won.

The state-run Korea Electric Power Corp. climbed 2.9 percent to 37,200 won, and major defense firm Hyundai Rotem escalated 3.09 percent to 200,000 won. Bio and auto shares also gained ground.

Samsung Biologics climbed 1.35 percent to 1.05m won, and Celltrion advanced 1.52 percent to 173,900 won.

Top automaker Hyundai Motor added 0.48 percent to 211,000 won, and its sister Kia increased 1.98 percent to 102,800 won. *— THE KOREA HERALD*

Stock markets rebound on US rate cut bets

LONDON: Most stock markets bounced yesterday on hopes of US interest rate cuts after weak jobs figures raised concerns about the world's top economy.

The broad gains followed a sell-off on Wall Street Friday in reaction to the jobs data and news that dozens of countries would be hit with US tariffs ranging from 10 to 41 percent.

Wall Street's main indices jumped higher at the opening bell, with the Dow climbing 0.6 percent.

European indices mostly started the week on the front foot, with Paris gaining 1.0 percent and Frankfurt rising 1.3 percent.

"Investors seem to be taking an optimistic view... betting on an increased likelihood of further monetary easing by the Fed after Friday's employment figures," said John Plassard, head of investment strategy at Cite Gestion Private Bank.

CME's FedWatch tool has investors seeing an 87.5 percent of the Fed making a quarter point cut in interest rates. *— AFP*

iCAUR debuts two global models featuring world's leading range-extended system

THE PENINSULA

DOHA: Global cool automotive brand iCAUR tonight spectacularly hosted its grand Brand Night in Dubai, UAE, marking the Global debut of two heavyweight new models — the rugged mid-to-large SUV iCAUR V27 REEV and the smart box SUV iCAUR 03T REEV.

The event represents a key milestone in iCAUR's deepening global market presence and boldly declares its unique identity and innovation strength as the "global cool player" with segment-leading golden range-extender technology and groundbreaking cool store design.

The launch instantly ignited excitement among users worldwide, with the cool store design establishing the brand as a new offline hotspot for the young and young at heart.

As of the end of June 2025, Chery Group has reached a milestone of 5 million vehicles exported, becoming the first Chinese automotive brand to achieve this landmark. As a key pillar of Chery's global NEV strategy, the iCAUR brand leverages the Group's worldwide resources to build a fully digitalized system covering both R&D and manufacturing. Entering the market as a cool player for the young and young at heart, iCAUR is bringing fresh energy to the global NEV landscape.

At the Brand Night event, iCAUR unveiled two new models: the rugged mid-to-large SUV V27 REEV and the smart boxy 03T REEV. Both vehicles build on iCAUR's distinctive, J-style design language, combining rugged aesthetics with cutting-edge innovation. These models are set to deliver a cooler, higher-quality mobility experience for users worldwide.

As iCAUR's first rugged mid-to-large SUV, the V27 REEV represents a significant step forward in the brand's commitment to category innovation. Rooted in the J-style design philosophy, the V27 blends retro aesthetics with modern technology, creating a striking visual identity defined by rugged character. The vehicle's bold body lines, wide horizontal front grille, pronounced bumper, and squared wheel arches convey a firm stance. Meanwhile, the round daytime running lights add a retro charm, making the V27 REEV stand out from conventional SUVs.

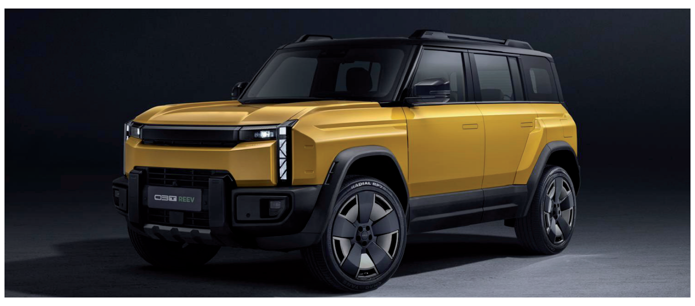
With its bold proportions, the V27 REEV delivers a striking visual presence that far exceeds expectations in its segment, measuring over 5 meters in length and nearly 2 meters in both width and height.

Whether it's family camping with full gear, comfortable journeys for multiple passengers, or carrying essential equipment for off-road adventures, the V27 is built to meet diverse mobility needs with ease. It fully embodies the growing demand for practical space — positioning itself as a true all-scenario leader set to redefine the value benchmark in the mid-to-large SUV segment.

The V27 also offers exceptional range performance, eliminating anxiety on long journeys. Its golden REEV powertrain ensures stable, consistent power delivery, even in complex terrain conditions. From effortless daily commutes to long-distance explorations, the V27 REEV adapts seamlessly — making every drive smooth, confident, and worry-free.

The iCAUR 03T REEV is a smart boxy SUV designed for young and young-at-heart drivers. Equipped with a class-leading i-AWD system, it continuously monitors road conditions. It dynamically adjusts power distribution for optimum traction and stability. Whether navigating rain-slicked city streets or gravel-covered mountain trails, the 03T REEV delivers confident control across all terrains. As a cool player for every journey, it empowers users to explore freely and drive with confidence.

The 03T REEV features a pioneering all-aluminum multi-cavity cage body that significantly reduces overall weight while enhancing structural integrity. Its honeycomb-style embedded high-strength aluminum beams create a robust safety shell. In the event of a collision, the body efficiently absorbs and dissipates impact energy, safeguarding the survival-safe cabin.



China's machinery industry achieves robust growth in first half of 2025

BEIJING: China's machinery industry achieved a positive performance in the first half of 2025, recording growth in both production and sales.

A statement by the China Machinery Industry Federation (CMIF) highlighted that the value added by the Chinese machinery sector rose by 9 percent year-on-year during the first six months of 2025, a growth rate two percentage points higher than that of the overall manufacturing sector.

Meanwhile, production increased in 84 out of the 122 categories of CMIF-monitored mechanical products.

Automobile production witnessed a year-on-year increase of 12.5 percent during the first half of 2025, followed by an 11.4 percent hike in sales over the same period, the statement read.

The statement further indicated that the output of power-generating units surged by 60.5 percent. *— QNA*

Qatar's office boom continues despite cooling rental index

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The average rent for Grade A offices across Qatar dropped to QR116 per sq m, a 1.8 percent quarterly dip and 2.9 percent decline year-on-year.

The iconic business zones of West Bay, Al Sadd, and Bin Mahmood bore the brunt, with rents in these Grade A clusters dropping by 2.5 percent.

In contrast, Grade B office spaces, which generally offer lower-specification premises in secondary or suburban locations, showed greater resilience.

While rents in this segment remained flat on a quarterly basis, they posted a modest 1.9 percent year-on-year decline. Interestingly, some secondary clusters showed signs of vitality.

The expert emphasised "We are actually seeing a revival of interest in locations like Al Khor and Al Wakrah. Grade B rents in these areas increased by 2 percent this quarter. Cost-conscious companies and startups are looking beyond the central business districts."

As for the future, the pipeline shows no signs of slowing. An estimated 198,700 sq m of GLA is expected to be delivered by the end of 2025.

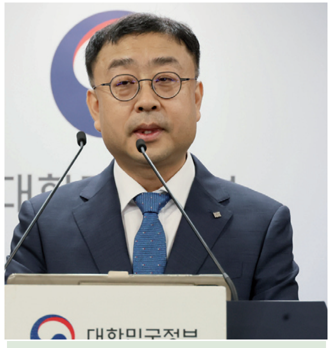
"With this much supply incoming, the market must brace for further rent corrections unless demand significantly rebounds. What we need now is targeted policy support to attract international businesses and diversify tenancy profiles," added Hussein.

LG, SKT, Naver among five selected for Korea's sovereign AI push

SEOUL: The Ministry of Science and ICT yesterday announced the final selection of five teams to lead South Korea's ambitious "sovereign AI foundation model" project, aimed at building homegrown, high-performance artificial intelligence models.

The selected teams are Naver Cloud, Upstage, SK Telecom, NC AI and LG AI Research. Each will be granted the titles of "K-AI model" and "K-AI company," the ministry said.

The final selection followed an evaluation process that assessed each consortium's technological capabilities, development experience, strategic clarity and the anticipated impact of their proposed models. The review also considered their commitment to open-source principles and broader industry contribution.



Song Sang-hoon, deputy minister for office of ICT policy at ICT ministry.

"All five teams have demonstrated exceptional capabilities in AI model development," an ICT ministry official said. "They share a clear commitment to the vision of sovereign AI and presented robust open-source strategies that will allow other businesses to adopt and commercialize their technologies."

Notably, the ministry commended the teams' ambitions to go beyond large language models and evolve into multimodal and omnimodel architectures, reflecting a bold, scalable vision aligned with global AI advancements.

The sovereign AI project attracted proposals from 15 consortia, comprising domestic AI firms and research institutions. The initiative aims to develop AI models that achieve at least 95 percent of the performance of the most advanced international models released within the last six months.

To support the development, the government will provide each selected team with access to jointly purchased and processed datasets worth 10bn won ($7.2m), beginning in September. Additionally, each team will receive 2.8bn won in supplementary funding to build and refine domain-specific datasets tailored to their development goals. A separate pool of high-quality broadcasting and video learning data, valued at 20 billion won, will also be available.

Upstage, which has expressed interest in bolstering its global talent pool, will receive matching support from the government to cover personnel and research expenses for international researchers it seeks to recruit.

SK Telecom and Naver Cloud have been selected as graphics processing unit infrastructure providers for the project. They will lease GPU resources from the second half of this year through early 2026, with GPU support allocated to Upstage, NC AI and LG AI Research. *— THE KOREA HERALD*

Ghana raises cocoa prices paid to farmers by 63%

ACCRA: Ghana yesterday increased the producer price of cocoa by more than 60 percent ahead of the 2025-26 season, a move expected to put pressure on top cocoa-producing rivals like Ivory Coast.

The move could also raise global cocoa costs even further, at a time when supply chains are already tightening due to climate shocks and ageing farms.

Finance Minister Cassiel Ato Forson said the rate paid to farmers will rise from $3,100 to $5,040 per tonne, a 62.58-percent increase.

"The cocoa farmer remains a critical pillar of our economy, and this government is committed to ensuring they benefit from the gains we are making," the minister said at a news conference in the capital Accra.

Ghana, the world's second-largest cocoa producer, typically sets its prices ahead of Ivory Coast, which leads global production. The Ivorian government is currently paying farmers 1,500 CFA francs ($2.44) per kilogramme, about $2,440 per tonne.

The move could also raise global cocoa costs even further, at a time when supply chains are already tightening due to climate shocks and ageing farms.

The substantial increase in Ghana is in line with a campaign promise by President John Mahama, elected in December, to raise cocoa farmers' share of export earnings to at least 70 percent of the Free-On-Board (FOB) value the price of cocoa at the point it is loaded onto a ship for export.

The FOB price has shot up in recent years, with the current $7,200 price reflecting a blend of earlier contracts signed at $2,600 per tonne during the 2023-24 season and forward sales forecasts for 2025-26, Forson said.

Farmers were previously only receiving 63.9 percent of the FOB price, or $3,100 of the $4,850 FOB value, in the 2024-25 season. Forson said the revised price also accounts for improved macroeconomic conditions, including a strengthening cedi and easing inflation.

Ghana's price controls are meant to stabilise earnings for farmers, especially during price dips, but critics say they have lagged behind market highs, especially in recent years as global prices have spiked.

In response, some farmers have joined the country's gold rush, selling off land to informal miners -- many of whom have left environmental destruction in their wake, further squeezing production.

Getting fair prices for farmers at the bottom of cocoa's global value chain -- has long been a goal of both activists and west African governments, with fingers pointed at both private firms and buyers as well as official corruption.

Forson also announced the reintroduction of the government's free cocoa fertiliser programme, which includes the distribution of fertilisers, insecticides, fungicides, spraying machines and flower inducers to increase yields and income. *— AFP*

Early data shows stimulus coupons are helping retailers

SEOUL: Small business sales are already seeing an uptick a week after South Korea rolled out its stimulus coupon program, with data from July 21 to 27 showing noticeable gains, according to figures released yesterday.

A card sales analysis from Korea Credit Data showed that optical shops saw the biggest jump, with sales surging nearly 57 percent from the previous week. Fashion and clothing stores followed with a 28.4 percent increase. Noodle restaurants were up 25.5 percent, foreign language academies 24.2 percent, pizza shops 23.7 percent, sushi restaurants 22.4 percent, beauty salons 21.2 percent, and sports equipment retailers 19.9 percent.

"The stimulus coupon policy is already having a positive effect on small business revenues," said Kang Ye-won, head of data at KCD.

The analysis was based on transaction data from over 382,000 small business locations nationwide.

However, not all sectors saw a boost; sales in the service industry dropped 3 percent from the previous week.

Shoppers walk through Cheongnyangni Market in Seoul, South Korea.

KCD said the extreme summer heat likely discouraged consumer activity in the service industry, despite expectations for higher demand during the July vacation season. Still, compared to the same period last year, service-related sales were up 5.1 percent.

By region, the biggest gains came from South Gyeongsang Province with a 9.4 percent increase, followed by North Jeolla Province at 7.5 percent, Gangwon Province at 6.6 percent, South Chungcheong Province and Ulsan both at 5.8 percent, and Daegu at 5.7 percent.

In contrast, sales declined in Seoul and Jeju Island, down 4 percent and 0.8 percent, respectively.

As of Thursday last week, 11 days after the program began, about 45.5 million people, roughly 90 percent of the population, had applied for the coupons, according to the Ministry of the Interior and Safety.

The total value of distributed coupons reached 8.24 trillion won ($5.95bn). *— THE KOREA HERALD*

US employment report points to weakening job market, say experts

WASHINGTON: Last week's lackluster US unemployment report released by the Bureau of Labor Statistics (BLS) points to a weakening job market, experts said. According to data released Friday, July saw US job growth slow sharply, with only 73,000 nonfarm jobs added, far below forecasts of 104,000 new roles. The weaker-than-expected hiring pushed the unemployment rate up to 4.2 percent, from 4.1 percent in June, it said.

Meanwhile, job growth in May and June was revised down by a combined 258,000, the BLS reported, calling the adjustments "larger than normal."

"Prospects are not great," Dean Baker, co-founder of the Center for Economic and Policy Research, told Xinhua.

"With slowing job growth and wage growth, consumption is almost certain to be weak. Investment is not picking up the gap, so we will likely see further weakness, especially with state and local governments also being forced to make cutbacks," Baker said. Gary Clyde Hufbauer, a nonresident senior fellow at the Peterson Institute for International Economics, told Xinhua, "I expect the job market to continue (to be) weak through the end of the year." The slowdown came as US President Donald Trump's administration slapped sweeping tariffs on major US trading partners. Economists have long warned that the duties could strain the broader US economy, with some now projecting a potential recession in the fourth quarter.

According to data released Friday, July saw US job growth slow sharply, with only 73,000 nonfarm jobs added, far below forecasts of 104,000 new roles.

Hufbauer said the tariffs "indirectly" impact the job market by driving up consumer prices and dampening household purchases. Likewise, Baker said Trump's tariffs "definitely" have an impact on the job market as "they are reducing people's purchasing power, thereby slowing consumption. And the uncertainty crimps investment."

Meanwhile, Clay Ramsay, senior research associate at the Center for International and Security Studies at Maryland, told Xinhua that the most important part of the BLS report is the downward revisions. "It's now clear that where the labor market is concerned, we were all living in a fool's paradise. Now that more information is in, it's clear that the labor market went dormant back in May and has stayed that way."

But at the same time, a weaker jobs market could spur the Fed to lower interest rates. A rate cut would boost economic growth, depending on how much the central bank is willing to slash interest rates.

"I think we will see a resumption of Fed rate cuts as a consequence" of the weak job market, Hufbauer said.

Trump's strong point has always been the economy. But if Friday's jobs report was the start of a downward trend, that could bode ill for Trump.

Brookings Institution Senior Fellow Darrell West told Xinhua that the slowdown of job growth is a big problem for Trump. "He promised that with his business background, he would lead the country to a very strong economy. His greatest risk is that there is a possibility the United States will see slowing job growth and rising inflation due to his tariffs."

"That would be a dreadful combination for him politically," West said. Trump on Friday fired the boss of the BLS, just hours after the release of the lackluster jobs report, accusing her of manipulating data. *— XINHUA*