



Samsung forecasts profit plunge

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Samsung Electronics says second-quarter profits are likely to plunge as the U.S.-China trade war and tensions over Huawei eat into sales.

1. Samsung Electronics has warned its earnings are likely to plunge.
2. The consumer electronics giant says second quarter operating profit will probably be down by over a half.
3. That warning came in an official filing weeks ahead of its official results.
4. A storm of negatives is battering the South Korean firm.
5. The U.S-China trade war has hit demand for electronics.
6. Tariffs have risen on the memory chips that are a big part of Samsung's business.
7. U.S. sanctions on Huawei hurting too.
8. It's a big buyer of Samsung components.
9. And Japan has put curbs on exports to South Korea of key materials used in chips and phones.
10. That's just the latest twist in the two countries' quarrel over Japan's use of forced labor back in World War II.
11. For all that, Samsung says it will beat analyst forecasts for the period.
12. It says it's benefiting from one-off gains, without elaborating on what that means.
13. Traders focused on the downbeat outlook though.
14. Shares in European chipmakers fell Friday morning following the news.