



DSE elects new chairman

STAR BUSINESS DESK
Md Eunusur Rahman, former senior secretary to the Financial Institutions Division, has been elected the chairman of the Dhaka Stock Exchange.
The election took place at the bourse's board meeting in Dhaka yesterday, according to a statement.
Prior to joining DSE, he worked as a senior policy adviser at the Business Finance for the Poor in Bangladesh project.
Rahman obtained his graduation and post-graduation in accounting from Dhaka University.

UTC, Raytheon offer EU concessions over \$120b merger deal

REUTERS, Brussels
United Technologies Corp and Raytheon Co have offered concessions to address EU antitrust concerns about their plan to create a \$120 billion US aerospace and defense giant, a filing on the European Commission website showed on Monday.
The companies submitted their concessions on Friday. The European Commission, which did not provide details in line with its policy, extended its deadline for a decision to March 13 from Feb. 28.
In January, UTC agreed to divest a military-focused GPS unit from its subsidiary Collins while Raytheon agreed to sell an airborne tactical radios unit to British defense company BAE Systems in a bid to win regulatory clearance.

US sees on virus impact on China trade deal

REUTERS, Riyadh

US Treasury Secretary Steven Mnuchin told Reuters he does not expect the coronavirus outbreak to have a material impact on the Phase 1 US-China trade deal, although that could change as more data becomes available in coming weeks.
Finance officials from the world's 20 largest economies said on Sunday they would keep a close watch on the fast-spreading outbreak, but stopped short of identifying it as downside risk to the global economy.

Fears of a coronavirus pandemic mounted even as they met in the Saudi capital of Riyadh, with sharp rises in new cases reported in Iran, Italy and South Korea.

Mnuchin, in an interview with Reuters late on Sunday, cautioned against jumping to conclusions about the impact of what he called a "human tragedy" on the global economy, or on companies' supply chain decisions, saying it was simply too soon to know.
China was focused on the virus for now, he said, but Washington still expected Beijing to live up to its commitments to buy more US products and services under the trade deal.

"I don't expect that this will have any ramifications on Phase 1. Based on everything that we know, and where the virus is now, I don't expect that it's going to be material," he said.
"Obviously that could change as the situation develops. Within the next few more weeks, we'll all have a better assessment as there's more data around the rate of the virus spreading."
Mnuchin acknowledged the outbreak could also delay the start of negotiations on deepening the trade deal with Beijing and reaching a Phase 2 agreement, but said he was not worried about that at this point.
"If we get the right deal before the election, that's great. If we get the right deal after the election, that's great. We don't feel any pressure one way or another," he said, referring to the Nov. 3 US presidential election, in which President Donald Trump is seeking re-election.



US Treasury Secretary Steven Mnuchin

Mnuchin noted that the contagion factor with COVID-19, the acronym for the virus, was higher than with the SARS outbreak in China in the early 2000s, but said the survival rate appeared to be much higher.
In a separate news conference, he said there could be some short-term impact on supply chains, but cautioned against the idea that it could increase concerns about globalization. Big companies were always assessing risks and adjusting supply chains, he added.



AK Abdul Momen, foreign minister; MA Mannan, planning minister; and Sheikh Fazle Fahim, president of the Federation of Bangladesh Chambers of Commerce and Industry, attend a summit organised by the International Business Delegation at the Westin Dhaka yesterday.

German business morale inches up despite coronavirus fears

AFP, Munich

Confidence among German business leaders nudged slightly higher in February, a closely watched survey said Monday, as bosses appeared to shrug off fears about the novel coronavirus outbreak.
The Ifo institute's monthly business climate index climbed to 96.1 points in February, up from 96.0 in January.
The reading defied expectations as analysts surveyed by Factset had been bracing for a drop in morale.
"The German economy seems

unaffected by developments surrounding the coronavirus," Ifo chief Clemens Fuest said in a statement.
The virus has killed some 2,600 people and infected over 80,000 since it emerged in China late last year, and fears of a wider outbreak are growing after South Korea, Italy and Iran reported a spike in cases.
Looking in detail at the Ifo survey of some 9,000 firms, manufacturers were the most optimistic for the months ahead. Germany's crucial manufacturing sector has been hit

hard in recent months but a US-China trade truce and less Brexit uncertainty has eased concerns.
ING Diba bank analyst Carsten Brzeski however said the Ifo reading should be taken with "a pinch of salt", warning that Germany's export-oriented economy was uniquely vulnerable to trade upsets caused by the virus.
"Weaker Chinese demand will leave its marks on the economy," he cautioned. While it was still too early to gauge the full impact of the virus, Germany is "again at the centre of yet another adverse global event", he added.



Fazle Kabir, governor of Bangladesh Bank and president of the Institute of Bankers, Bangladesh, speaks at a prize distribution ceremony organised by the institute at its conference hall in Dhaka recently. Three gold and nine silver medals were distributed among the institute's students for their outstanding performance in the banking diploma examinations for 2016 and 2017.

Gold soars more than 2.5pc as virus triggers flight to safety

REUTERS

Gold prices surged more than 2.5 per cent to over seven-year highs on Monday as the spread of coronavirus outside China and its potential impact on global economic growth spurred safe haven buying.
Spot gold was up 2.5 per cent to \$1,683.94 per ounce at 0953 GMT after hitting \$1,688.66, its highest level since January 2013. US gold futures were up 2.3 per cent to \$1,686.40.
Gold in euros hit an all-time peak of 1,560.39 euros per ounce, while gold priced in sterling rose to a record high of 1,308.20 pounds an ounce.
"Beyond the near term disruptions to global supply chains, the coronavirus could have an effect on headline GDP," said FXM market analyst Han Tan.
"On the onset of 2020 we were optimistic that global economic conditions were able to recover on signs of subsiding trade tensions, but the potential fallout from the coronavirus not only triggers risk aversion, but could also erode the growth potential for the full year."
European shares tumbled more than 3 per cent after a sharp rise in new infections in South Korea, Italy and Iran exacerbated worries of a wider spread of the virus.

The World Health Organization said it was worried about the growing number of cases without any clear link to China.
"There seems to be a mix of short covering and a fear of missing out driving the gains (in gold), with \$1,660 well supported on any pullbacks," MKS PAMP said in a note.
"Expect demand to remain firm through \$1,660-\$1,650, while there's little top-side resistance on the way to \$1,700."
The US dollar also gained on increasing interest in safe haven assets.
The benchmark US 10-year Treasury yield fell to its lowest level since July 2016. Investors are also expecting global central banks to further ease monetary policy as the risks from the virus threaten global growth. Lower interest rates reduce the opportunity cost of holding gold and tend to weigh on US yields.
Reflecting increased investor interest in bullion, speculators raised their bullish positions on COMEX gold and silver contracts in the week to Feb. 18, data showed on Friday.
Mirroring gold's gains, silver rose 2 per cent to \$18.82 an ounce, having hit its highest since September at \$18.90.
Palladium eased 0.4 per cent to \$2,691.75 per ounce, while platinum shed 0.1 per cent to \$972.96.

Imports from China tumble 21pc for coronavirus

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Cotton yarn and woven textile fabrics top the list of the items coming to Bangladesh from China, followed by woven textile fabrics, knit textile fabrics and garment accessories.
Bangladesh imported nearly \$3 billion worth of the items in fiscal 2018-19 from China, the report said. These products are used as raw materials by the \$34 billion garment industry, which represents 84 per cent of the national export receipts.
The import from China was 41 per cent of the total import of cotton, cotton yarn/thread and cotton fabrics valued at \$7 billion in the last fiscal year, BB data showed.
Of the four products, yarn is used in textile

mills to make fabrics, while woven fabrics are used to make garments.
Manufacturers brought in \$1.2 billion worth of cotton yarn in fiscal 2018-19 and half of last year's total imports already reached Bangladesh between the months of July last year and January this year, the report said.
In the seven months since July, businesses also imported half of the total woven textile and knit textile fabrics they had brought in in the last fiscal year.
The picture is also the same for garment accessory imports from China. However, the import of mobile parts, which soared last year, may suffer as 27 per cent of last fiscal year's total imports amounting to \$505 million came in the

last seven months.
Bangladesh is importing ginger, garlic and cinnamon from Myanmar, Vietnam, Thailand, Indonesia and Egypt, lowering the possibility of supply shortfall of the essential cooking ingredients, the NBR said.
In case of exports, garment is the main item shipped to China, followed by jute and jute goods as well as fishes, including crab and eel.
China is increasingly emerging as an export market for Bangladesh and half of the main exportable items destined for the country were shipped in the July-January period, the NBR said.
"Given the trend, there is no big risk to exports to China," the NBR said.

Grameenphone's mini victory against telecom watchdog

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The exercise deducted Tk 1,755 crore, leaving it with Tk 1,695 crore of the Tk 3,450 crore net profit it logged in for 2019. It had about Tk 430 crore from the previous year.
Contacted, Grameenphone in a statement said: "We appreciate that the Hon'ble Appellate Division has maintained the injunction. We will evaluate the order before further comments."
The carrier, which has 46 per cent market share, got an injunction from the High Court on the BTRC's move to realise Tk 12,579.95 crore from them on October 17 last year.
The BTRC later filed a petition with the SC challenging the HC's injunction order and

following the petition the Appellate Division on November 24 last year directed Grameenphone to pay Tk 2,000 crore to the telecom regulator in three months.
On January 26 this year, GP filed a review petition with the apex court seeking its permission to pay Tk 575 crore in 12 equal instalments.
During the hearing yesterday, Grameenphone's lawyer advocate AM Amin Uddin and barrister Medehi Hassan Chowdhury placed documents proving the operator had paid Tk 1,000 crore to the telecom watchdog on Sunday before the apex court judges.
Then, chief justice asked the lawyers when Grameenphone will pay the remaining Tk 1,000

crore to the BTRC.
In reply, the Grameenphone's lawyers prayed to the court to give them six months more to furnish the sum.
The lawyers also said a title suit regarding the dues of Grameenphone to the BTRC is pending with the trial court concerned.
The SC granted them a three-month timeframe to pay next the instalment and said if the trial court finds in the final verdict that GP does not owe to the BTRC, then the Tk 2,000 crore will be adjusted.
Attorney General Mahbubey Alam and Barrister Khandaker Reza-E-Raquib appeared for the BTRC.

Japanese firms to invest \$6.4b

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OUTER RING ROAD
The approximate length of the proposed revised alignment is 130km, of which 46km is new alignment and 84km will follow existing alignment that needs to be improved.
The lead company is Marubeni Corporation. Other participating companies include IHI Corporation, Obayashi Corporation, Shimizu Corporation and Taisei Corporation.
The route of the Outer Ring Road will be Hemayetpur-Kalakandi-3rd Shitalakhya Bridge-Madanpur-Bhulta-Gazipur-Bypail-Hemayetpur.
MULTIMODAL HUBS
Two multimodal hubs will be built at Kamalapur Railway Station and Dhaka Biman Bandar Railway Station each. The hubs will have road and rail connectivity as well as flyovers for facilitating easy movement of commuters.
The lead company of Kamalapur hub project is Kajima, while Sojitz will lead the group of companies that will implement the hub at the airport railway station.

DEPOT NEAR DHIRASRAM
The government has decided to establish a full-fledged inland container depot near Dhirasram Railway station attached to the Dhaka eastern by-pass road with constant access to container handling and transportation. This will ease the pressure on the Kamalapur ICD.
The capacity of Kamalapur ICD is not adequate to serve the increasing share of container handling diverted towards Bangladesh Railway, according to the PPP Office under the PMO.
Further expansion of Kamalapur ICD is difficult due to heavy built up of the surrounding area. Apart from capacity constraints, daytime prohibition on movement of commercial vehicles is also very difficult in Kamalapur ICD, according to the PPP Office.
The handling capacity of the proposed ICD is 354,000 twenty-foot equivalent units. The lead company is Sojitz.
CTG-COX'S BAZAR HIGHWAY
The two-lane highway will be turned into a four-lane one under the project. The lead group is Marubeni.



Mohammad Akhter, chairman of Prime Islami Life Insurance; Md Apel Mahmud, CEO; and Rahim Uddaulah Chowdhury, chief consultant, attend the company's annual conference for 2019 at the Parjatan Holiday Complex in Kuakata recently.



Shayaan Seraj, a director of Elite Group, speaks at a technical session during the annual conference of the Public Works Department at Purta Bhaban in Dhaka on Sunday. The group's concerns Aqua Paints and Elite Steel organised the session to showcase their latest products.