



Quazi Osman Ali, managing director of Social Islami Bank Ltd, opens the bank's three-month campaign 'Customer Service and Deposit Collection' at its corporate branch in Dhaka on Sunday.

# US cuts rates as G7 pledges all tools to beat coronavirus

REUTERS, Tokyo/Washington  
The US Federal Reserve cut interest rates on Tuesday in an emergency move designed to shield the world's largest economy from the impact of the coronavirus as Group of Seven finance officials pledged all appropriate policy moves.

In a statement, the Fed said it was cutting rates by a half percentage point to a target range of 1.00 per cent to 1.25 per cent.

"The fundamentals of the US economy remain strong. However, the coronavirus poses evolving risks to economic activity," it said in a statement.

The coronavirus, which emerged in the central Chinese city of Wuhan late last year, has spread around the world over the past week, with more new cases now appearing outside China than within. It has hit sports events, trade exhibitions, book fairs, prayer meets and other large gatherings worldwide.

There are more than 90,000 cases globally, with more than 80,000 of them in China, and infections appearing in 77 other countries and territories, with Ukraine the latest country to report its first case.

China's death toll is 2,943, with more than 75 deaths elsewhere.

Finance ministers from the G7 group of rich countries were ready to take action, including fiscal measures where appropriate, Japanese Finance Minister Taro Aso told reporters. Central banks would continue to support price stability and economic growth.

"We reaffirmed our commitment to adopt all appropriate policy steps to protect the economy

from downside risks posed by the coronavirus, and that we stand ready to cooperate further on timely and effective measures," Aso said after a G7 call.

He was short on specifics and said the desirable policy response would vary from country to country.

Asked if all appropriate policy steps would include both monetary and fiscal policies, Aso said: "Yes,



Crowds wearing protective masks following the coronavirus outbreak are seen at Shinjuku station in Tokyo yesterday.

anything will be included, both monetary and fiscal steps."

US Treasury Secretary Steven Mnuchin told the US House Ways and Means Committee that G7 finance ministers and central bank governors had agreed to "do everything possible" to limit economic harm.

A sharp rebound in world stock markets lost only a little steam on Tuesday despite a lack of any immediately gratifying G7 measures. Europe's main bourses

were almost 2 per cent higher but Wall Street's main S&P 500 and Dow Jones markets gave up early gains to slip into the red.

"This is a tug of war between hope and fear. Central banks are giving hopes with their potential stimulus," said Vasu Menon, senior investment strategist at OCBC Bank Wealth Management.

"The question is what they will

could deal a serious blow to a world economy trying to recover from the US-China trade war.

New coronavirus cases in China have been falling sharply, with 125 reported on Tuesday, thanks to aggressive containment measures.

After what critics said was an initially hesitant response, China imposed sweeping restrictions, including suspensions of transport, sealing off communities, and extending a Lunar New Year holiday across the country.

Now China is increasingly concerned about the virus being brought back into the country by citizens returning from new hotspots elsewhere. Authorities on Tuesday asked overseas Chinese to reconsider or minimize their plans to travel home.

All travelers entering Beijing from South Korea, Japan, Iran and Italy would have to be quarantined for 14 days, a city official said. Shanghai has introduced a similar order.

The most serious outbreak outside China is in South Korea, where President Moon Jae-in declared war on the virus, ordering additional hospital beds and more masks as cases rose by 600 to nearly 5,000. Thirty-four people have died in South Korea.

In the United States, the virus is now believed to be present in at least four communities in the Pacific Northwest - two in northern California, one in Oregon and one in Washington state - and authorities there are having to go well beyond the quarantine of infected travelers and tracing of close contacts, which until now had been the response.

# World pharma supplier India restricts export of some ingredients, drugs

REUTERS, Bengaluru/New Delhi

India, the world's main supplier of generic drugs, on Tuesday restricted the export of 26 pharmaceutical ingredients and drugs made from them, including paracetamol, as concern mounted the coronavirus outbreak could turn into a pandemic.

Indian pharma companies get almost 70 per cent of the active pharmaceutical ingredients (APIs) for their medicines from China.

Already, the coronavirus outbreak has disrupted businesses dependent on Chinese supplies and industry professionals say Indian generic drugmakers are likely to face supply shortages from China if the epidemic drags on.

"Export of specified APIs and formulations made from these APIs... is hereby 'restricted' with immediate effect and till further orders," the Director General of Foreign Trade said in a statement here without explaining the extent of the restrictions.

The list given by the government included 26 APIs and formulations, which amount to 10% of all exports.

"Irrespective of the ban (restrictions), some of these molecules may face shortages for the next couple of months," Dinesh Dua, chairman, Pharmaceuticals Export Promotion Council of India (pharmexcil), told Reuters. The council falls under the federal commerce ministry.

"If coronavirus is not contained, then in that case there could be acute shortages,"

Dua said.

Separately, the government said on Tuesday it had detected "high viral load" in six people who had been in contact with a patient who contracted the coronavirus in the capital New Delhi.

The people have been kept in isolation and their samples are being sent to India's National Institute of Virology for confirmation, the government said in a



Medical staff wearing protective gear are seen inside a ward, specialised for people who may have been infected with coronavirus, at the Rajiv Gandhi Government General hospital in Chennai.

statement here

On Monday, India reported three new cases of coronavirus, including an Italian national in the western Indian state of Rajasthan. The patient in New Delhi is being closely monitored but stable, the government said.

The Indian ministry of health did not immediately give further details on the cases when contacted by Reuters.



Rajesh Surana, CEO of LafargeHolcim Bangladesh, unveils a new packaging design for Holcim Strong Structure Cement at a hotel in Dhaka on Monday.

# Jack Welch, iconic General Electric CEO, dead at 84

AFP, New York

Jack Welch, who built General Electric into a global industrial flagship and became one of America's best-known businessmen, died on Monday aged 84, the company said.

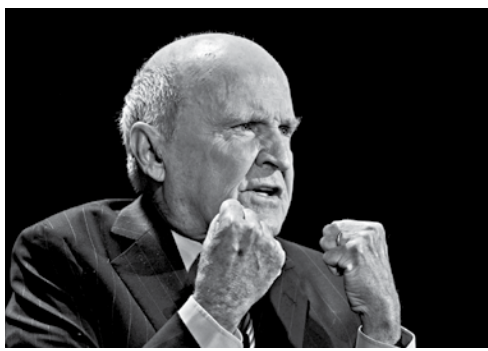
Dubbed the "manager of the century," by Fortune magazine in 1999, Welch transformed GE into a sprawling conglomerate during his two decades as chief executive.

"Today is a sad day for the entire GE family. Jack was larger than life and the heart of GE for half a century. He reshaped the face of our company and the business world," company chief Larry Culp said in an email.

Welch, the son of a railway worker and a homemaker, rose from his working class roots to ultimately expand GE beyond household appliances, healthcare and aeronautics into finance with GE Capital and media through NBCUniversal.

The company's market capitalization grew from \$12 billion when he took over in 1981 to \$410 billion on his departure.

Welch's hard-hitting reforms at GE came at a cost,



Jack Welch

however, and he was criticized for firing thousands of employees.

"His no nonsense leadership style gave him a reputation of being hard, even ruthless, but also fair when making business decisions," Welch's GE biography said. As the layoffs mounted, he became known as "Neutron Jack" due to his reputation for eliminating workers and jobs without demolishing the buildings they worked in. The hard-charging executive said in a 2005 television interview that he

hated the nickname.

President Donald Trump used the moniker to pay tribute to Welch.

"There was no corporate leader like 'neutron' Jack," Trump tweeted. "He was my friend and supporter. We made wonderful deals together. He will never be forgotten," the president said.

Welch was an ardent supporter of the Republican party. Born in Massachusetts, Welch earned a doctorate in 1960 and joined GE the same year as a chemical engineer in its plastics division, rising through the ranks to become vice chairman in 1979, then CEO two years later.

# SoftBank CEO tells US investors he'll be more careful

REUTERS, New York

SoftBank Group Corp Chief Executive Masayoshi Son, under pressure from hedge fund Elliott Management to rein in his mercurial investment style, turned on the charm in a meeting with US investors on Monday, but offered few concrete concessions.

"I promise you I'll start to be more careful and listen. My view doesn't change, but my behavior becomes a little more careful," sources quoted Son as telling investors who attended his presentation at the Lotte New York Palace hotel in Manhattan.

Son, who built SoftBank into a technology investment powerhouse, is now having to defend his track record after several of its expensive bets on startups, including office space-sharing firm WeWork, soured.

Elliott, which oversees \$40 billion in assets, has held discussions with SoftBank's management and is calling on the company to buy back some \$20 billion of its stock, improve

its governance by increasing the independence and diversity of its board and improving transparency, sources said last month.

Son said on Monday he had not given enough weight to the opinions of investors and the company's independent board members, according to three sources who attended the meeting which was closed to media and provided details on condition of anonymity.

Son pointed to SoftBank's stock trading at a big discount to the value of its assets as an opportunity for investors to buy in. His approach to investing heavily in companies with disruptive technology potential and giving carte blanche to the founders of startups he backs has helped make him one of the world's wealthiest investors. Yet it has also led to blunders that have blemished SoftBank's performance.

Chief among SoftBank's misses is WeWork, in which SoftBank invested billions of dollars to back CEO Adam

Neumann before stepping in to bail the company out and replace him.

The WeWork investment was made out of SoftBank's \$100 billion Vision Fund, which has also invested in or acquired the likes of Uber Technologies, British chip technology firm Arm Holdings and US wireless carrier Sprint Corp.

SoftBank was aiming to raise \$108 billion in funds for a second Vision Fund, and has committed \$38 billion of its own money toward that goal. However, Son said last month its launch had been delayed due to investor concerns about the performance of the first Vision Fund.

As a result, Son has said SoftBank may spend up to two years investing its own money in a bridge fund, to build a portfolio that will give investors enough confidence to participate in a second Vision Fund. In his remarks on Monday, Son said WeWork new CEO Sandeep Mathrani will turn SoftBank's investment around, but cautioned this could take years.



The directors of the Dhaka Chamber of Commerce and Industry led by its president Shams Mahmud call on Planning Minister MA Mannan at his office in Dhaka on Monday. The chamber urged the government to develop bond market for long-term infrastructure financing.



Syed Abdullah Mohammed Saleh, chairman of the executive committee of Reliance Finance, cuts a ribbon to launch its 'Islamic Finance Wing' recently. Md Abdul Jabbar, managing director, was present.