

# Gulf states extend coronavirus precautions to bourses, shipping, arcades

REUTERS, Dubai

Gulf Arab states expanded measures to contain the spread of coronavirus on Sunday with Oman banning open ship-to-ship transfers with Iranian vessels, Abu Dhabi's bourse shuttering trading halls and Dubai closing cinemas, gyms and arcades.

Citizens and residents in Kuwait, which went into virtual lockdown on Thursday, had their temperatures tested before entering banks, where long queues formed on Sunday after the state limited the number of operational branches. Masks and gloves were distributed to those in line.

Kuwait and Saudi Arabia have taken the most drastic steps among the six Gulf Arab states, which have recorded a total of 870 cases but no deaths, by halting international passenger flights. The United Arab Emirates has suspended new entry visas from March 17 while Qatar has restricted visa issuance.

Kuwait, where the ban on international flights began on March 13, has offered its citizens stranded at London's Heathrow Airport paid accommodation at an airport hotel with three meals a day, according to an embassy notification seen by Reuters.



REUTERS

A gas station worker wearing a protective face mask sits next to a petrol station in Qatif, Saudi Arabia March 9.

An American living in the Saudi capital Riyadh said his parents — in their 60s and 70s — cut short their visit and departed the kingdom on Saturday night before the flight suspension went into effect at 0800 GMT Sunday.

"I'm glad that they're off even though it means 24 hours in the airport hotel in Dubai. Given their age and medical issues it's definitely better than stuck here for weeks,"

he told Reuters.

Saudi Arabia, which has locked down its eastern Qatif region where many infections were recorded, has 103 cases of the virus.

Two gated compounds in the capital Riyadh housing hundreds of expatriates have each reported one case among residents, according to emails from management seen by Reuters.

The Saudi health ministry did not

immediately respond to a request for comment and it was not clear if the two cases were already included in the kingdom's total count.

Many of the coronavirus cases recorded in Gulf Arab states have been linked to travel to Iran, which has emerged as an epicentre for the disease in the Middle East.

Iranian President Hassan Rouhani said on Sunday the government had no plans to quarantine Iranian cities because of the coronavirus outbreak, adding that there was no shortage of goods in shops and supermarkets, state TV reported.

Oman, across the Gulf from Iran, asked open-deck boats to immediately halt ship-to-ship trade with Iranian boats, state news agency ONA said on Sunday.

In the UAE, regional tourism and business hub Dubai joined other emirates in shuttering cinemas, arcades and gyms. Dubai's large Global Village shopping and entertainment market, which runs from November to March each year, said it was closing early. The UAE capital Abu Dhabi shut down public beaches and parks.

The Abu Dhabi Securities Exchange said on Sunday it was closing all its trading halls until further notice, a day after Kuwait's bourse said it would do the same.

# Aramco to cut capital spending over coronavirus; 2019 profits plunge

REUTERS, Dubai

Saudi Aramco on Sunday said it plans to cut capital spending in the wake of the coronavirus outbreak, and also posted a plunge in profit for last year, missing forecasts in its first earnings announcement as a listed company.

Saudi Arabia's decision last year to float shares in its state oil company - the most profitable company in the world - was one of the central elements in Crown Prince Mohammed bin Salman's program for economic and political reform.

The record-setting IPO was touted as making the world's biggest energy exporter more professional and transparent.

The 21 per cent decline in net profit for last year means it fell short of analysts' forecasts for the period that culminated in the share sale, months before the coronavirus pandemic became a factor for oil prices.

In recent weeks, Riyadh has announced that it is ramping up production in an oil price war with Russia that has sent global prices plunging and contributed to the coronavirus rout on international financial markets.

The company said it expects capital spending for 2020 to be between \$25 billion and \$30 billion in light of current market conditions and recent commodity price volatility, compared to \$32.8 billion in 2019.

Aramco has already taken steps to "rationalize" its planned 2020 capital spending, CEO Amin Nasser said in a statement.

"The recent COVID-19 outbreak and its

rapid spread illustrate the importance of agility and adaptability in an ever-changing global landscape," he said.

Aramco listed its shares in Riyadh in December in a record \$29.4 billion initial public offering that valued it at \$1.7 trillion. Its shares fell below the IPO price last week for the first time, as oil prices crashed after the collapse of an output deal between OPEC and non-OPEC members. Oil prices have fallen nearly 50 per cent from highs reached in January and had their biggest one-day decline on March 9 since the 1991 Gulf War.

Brent crude futures last traded at \$33.85 per barrel on Friday, down from about \$64 when Aramco listed its shares.

Saudi Arabia's strategy to gain market share by flooding the markets with cheap oil has revived investor concerns that the profitability of the company would come second to government-led strategies to influence oil markets.

"Foreign investors may view recent events as confirmation that the strategic direction of Aramco is driven by its majority shareholder, driven by national development and geopolitics, not simply value maximization of this company's returns," said Hasnain Malik, head of equity strategy at Tellimeter.

Despite a drop in income, Aramco said it paid a dividend of \$73.2 billion in 2019 and intends to declare a cash dividend of \$75 billion in 2020, paid quarterly.

Aramco, which is 98 per cent owned by the Gulf kingdom, reported a net profit of \$88.2 billion in 2019, down from \$111.1 in 2018.

# ADB provides \$400m to upgrade international road corridor

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Since 2001, SASEC members signed and implemented 55 ADB-financed projects with a regional dimension worth more than \$12.5 billion, including 36 projects worth \$10.23 billion in the transport sector.

The SASEC Operational Plan, 2016–2025 identified 128 priority regional cooperation and integration transport projects worth about \$63 billion, of which 35 are in Bangladesh.

Road travel accounts for 70 per cent of all passenger traffic and 60 per cent of freight in Bangladesh, as traffic grows at a rate of 8 per cent a year.

Fatima Yasmin, secretary of the Economic Relations Division, and Parkash inked the loan agreement at a ceremony in Dhaka yesterday.



SOCIAL ISLAMI BANK

Md Anwarul Azim Arif, chairman of Social Islami Bank, opens Mujib Corner to pay tribute to Bangabandhu Sheikh Mujibur Rahman on the occasion of the Father of the Nation's birth centenary, at the bank's head office in Dhaka yesterday. Quazi Osman Ali, CEO, was present.

# Google says it is developing a nationwide coronavirus website

REUTERS, Washington

Alphabet's Google said on Saturday that it was working with the US government to develop a nationwide website that would help Americans with questions about coronavirus symptoms, risk factors and testing.

"We are fully aligned and continue to work with the U.S. government to contain the spread of COVID-19, inform citizens, and protect the health of our communities," Google said in a statement on Twitter.

President Donald Trump had thanked Google on Friday for developing a website that he said would help people determine whether they needed a coronavirus test, saying that 1,700 engineers were working on it.

That prompted the search and advertising giant to respond that, in fact, a life sciences division, Verily, was in the early stages of developing a tool to help triage Americans

who may need testing for the coronavirus and that it would be tested in the Bay Area and expanded over time.

Alphabet's shares closed up more than 9 per cent after the Friday announcement by the president.

Pressure has been rising on US officials to increase and improve testing for the fast-spreading virus, which has reached almost every US state, closed schools and forced the cancellation of thousands of sporting events, conferences and concerts amid efforts to stop its spread by keeping Americans out of big crowds.

Like Google, Verily is a subsidiary of Alphabet, which is based in Mountain View, California.

The cooperation with the Trump administration comes as Alphabet faces antitrust investigations by federal and state agencies over its search and digital advertising businesses, among others.

# ECB ready to rein in bond spreads, beef up purchases

REUTERS, Frankfurt

The European Central Bank is ready to rein in "unjustified" spreads between euro zone bond yields and even to beef up purchases to combat the fallout from the coronavirus, board member Fabio Panetta said in an interview published on Sunday.

It was the latest move in a concerted rearguard action by the ECB since President Christine Lagarde upset investors and fellow policymakers on Thursday by saying it wasn't the bank's job to help virus-stricken countries such as Italy on the debt market.

"The turbulence that struck the Italian sovereign bond market in the last few days is an undesired event that must be reabsorbed," Panetta, himself an Italian, told Milan-based daily Corriere della Sera.

"Strong, unjustified increases in the

spreads on the back of the health emergency ... will be resolutely tackled."

The ECB said it would buy an extra 120 billion euros (\$133 billion) worth of bonds by the end of the year in response to the pandemic, on top of the 20 billion euros it buys every month to support inflation in the euro zone.

But Panetta said the additional purchases could be increased again and even opened the door to lending to financial intermediaries other than banks if needed.

"Liquidity strains could emerge among non-bank intermediaries," Panetta said in the interview.

"If it becomes necessary to carry out our monetary policy or preserve financial stability, the Governing Council could consider if and how to broaden the number of intermediaries it supplies liquidity to."

# 2 govt wings discouraging onion import to protect local farmers

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He said production has been good this year and it would reduce import requirement.

Farmers here increased their cultivation area by 15 per cent to 2.37 lakh hectares this season, showed the DAE data.

The agricultural extension office estimated that 23.30 lakh tonnes of onion was produced in the previous season.

The BTTC report said locally produced onion accounts for 70 per cent of the annual demand and producers bag onions during the January-April period. Bulbs harvested in the March-April period can be stored for consumption during the off season.

Prepared to suggest measures to encourage an increase in domestic cultivation, the report estimated that farmers' net production cost this fiscal year to be Tk 12 per kg. Their expectation is Tk 20.

The BTTC, in its report submitted to the commerce ministry, said there were no import tariffs on the key cooking ingredient and imposition of regulatory duty could be considered to protect domestic producers.

"But such duty can be on levied for four months from the February to May period of a year," said the report, suggesting regular monitoring of production, export price and supply to ensure smooth supplies to the market.

Yesterday, retail prices of the locally grown onion stood at Tk 40-Tk 45 per kg in Dhaka, down 47 per cent from Tk 100-Tk 110 per kg a month earlier, according to data from the Trading Corporation of Bangladesh (TCB).

Prices of imported bulbs, mostly from Myanmar, dropped 41 per cent to Tk 40-Tk 60 per kg yesterday from Tk 70-Tk 100 a month earlier, showed the data.

# Italian retailers considering cancelling work orders: Munshi

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"We are expecting the situation will improve soon. We don't need to be worried."

The minister spoke at a meeting on consumer rights at his secretariat office in Dhaka.

At the meeting, the minister also inaugurated the hotline, 16121, for the

National Consumer Rights Protection Department, through which people can lodge complaints in case they face cheating, the commerce ministry said in a statement.

The Consumer Rights Protection Act has not been made to harass anybody, he said. "In case of cheating, anybody can lodge complaints through the hotline."

# Apple closing all stores outside China until March 27 due to virus

AFP, San Francisco

Apple is closing all of its stores outside China until March 27 in a bid to slow the spread of the coronavirus outbreak, CEO Tim Cook said.

Cook said the firm had learned from steps taken in China, where the tech giant has just reopened its retail stores.

"One of those lessons is that the most effective way to minimize risk of the virus's transmission

is to reduce density and maximize social distance," he said in a statement late Friday.

"As rates of new infections continue to grow in other places, we're taking additional steps to protect our team members and customers." Apple's online store would remain open but office staff outside China would be working remotely if possible, Cook added.

The California-based firm has about 500 stores in 24 countries around the world.



AFP

Shoppers gather at an Apple store in Cardiff, Wales on March 14.

Despite the closures, Cook said hourly workers would continue to be paid as normal.

The CEO said Apple had expanded its leave policy "to accommodate personal or family health circumstances created by COVID-19" including caring for a sick loved one, mandatory quarantine or childcare due to school closures.

Apple has also donated \$15 million to help the fight against the pandemic and will be matching employee donations two-to-one.

"The global spread of COVID-19 is affecting every one of us," Cook said.

He ended his statement thanking "the heroic first responders, doctors, nurses, researchers, public health experts and public servants" around the world fighting the pandemic.

All of Apple's 42 stores in China have reopened after being closed since February 1 as the epidemic rapidly spread there.

The shops have been gradually returning to business in the past few days and the last ones reopened on Friday as China slowly resumes work.

Mass quarantines had forced factories to suspend operations and shops to shut.

Apple, which depends on components from Chinese suppliers and has a big market in China, was hammered on both fronts.

Last month, Apple said it would miss its second quarter revenue forecast and global iPhone supplies would fall because of the epidemic.

The firm had forecast revenue of \$63-\$67 billion for January-March, but did not disclose how much it expected revenue to fall.