

US home sales hit record low

REUTERS, Washington
US home sales dropped to their lowest level in more than 9-1/2 years in May, strengthening expectations for a sharp contraction in housing market activity in the second quarter following disruptions caused by the COVID-19 pandemic.

The report from the National Association of Realtors on Monday also showed the smallest annual home price increase in more than eight years. The slump in existing home sales reflected closings on contracts signed in March and April, when nearly the whole country was under lockdowns to slow the spread of the respiratory illness.

With applications for home loans surging to an 11-year high in recent weeks amid record low mortgage rates, May was probably the nadir for the existing housing market. Data last week showed a sharp rebound in building permits in May. But nearly 20 million people are unemployed and housing supply remains tight.

"Home sales may bounce with pent-up demand following the shutdown of the economy starting in March, but the massive scale of job losses and cautious consumers rebuilding their savings may limit sales," said Chris Rupkey, chief economist at MUFJ in New York.

"There is still a long road to recovery for the broader economy." Existing home sales fell 9.7 per cent to a seasonally adjusted annual rate of 3.91 million units last month, the lowest level since October 2010. It was the third straight monthly drop. Economists polled by Reuters had forecast existing home sales would fall 3 per cent to a rate of 4.12 million units in May.

Home resales, which make up about 90 per cent of U.S. home sales, decreased 26.6

per cent on a year-on-year basis in May, the largest annual decline since 1982. There were 1.55 million previously owned homes on the market in May, down 18.8 per cent from a year ago.

Stocks on Wall Street were trading higher as investors weighed stimulus-fueled recovery hopes against an increase in U.S. coronavirus infections. The PHLX housing index was little changed. The dollar fell against a basket of currencies. U.S. Treasury prices rose.

Home sales fell in all four regions last month. The NAR said with many companies allowing greater flexibility for employees to work from home amid the

COVID-19 pandemic, demand for housing was skewed towards single-family homes, mostly in the suburbs.

Economists believe the migration to suburbs from city centers could ease some of the housing shortage. A homebuilder survey last week showed strong demand in June for single-family homes in inner and outer suburbs featuring lower density neighborhoods.

Single-family home sales dropped 24.8 per cent in May from a year ago, while multi-family homes plunged 41.4 per cent.

The median existing house price rose 2.3 per cent from a year ago to \$284,600 in May. That was the smallest gain since

February 2012. Though single-family home prices increased, the median condominium price fell.

"Although demand certainly dropped in March and April due to the crisis, supply dropped even more, and has thus far kept home prices from declining," said Mike Fratantoni, chief economist at the Mortgage Bankers Association in Washington. "We expect that home price growth will pick up over the summer due to insufficient supply levels."

Last month's slump in home sales, together with a modest rise in homebuilding in May, suggested a big drop in residential investment this quarter after it grew at its fastest rate in more than seven years in the first quarter.

Economists are forecasting residential investment will decline at around a 20 per cent annualized rate in the second quarter. That would contribute to gross domestic product sinking at as much as a 37.5 per cent pace during that period, they say.

The economy contracted at a 5 per cent rate in the first quarter, the sharpest since the 2007-2009 Great Recession.

At May's sales pace, it would take 4.8 months to exhaust the current inventory of pre-owned homes on the market, up from 4.3 months a year ago. A six-to-seven-month supply is viewed as a healthy balance between supply and demand.

Last month, houses for sale typically stayed on the market for 26 days, down from 27 days in April, but matching the duration a year ago. Fifty-eight percent of homes sold in May were on the market for less than a month.

First-time buyers accounted for 34 per cent of sales in May, down from 36 per cent in April but up from 32 per cent a year ago.



Homes are seen for sale in the northwest area of Portland, Oregon.

REUTERS/FILE

UK business activity slowdown eases: data

AFP, London

Britain's private sector economic activity shrank in June but the pace of decline slowed significantly from May as the country eased its coronavirus lockdown, a closely watched survey showed Tuesday.

The composite purchasing managers' index (PMI) hit a four-month peak at 47.6 points in June from 30 in May, compilers IHS Markit and the Chartered Institute of Procurement and Supply (CIPS) said in a statement.

The figure still languished below the key 50 level, representing a contraction. Markit added that the manufacturing PMI stood at 50.1 points in June to register marginal expansion.

"June saw a record rise in the PMI for a second successive month, confirming that the economy is moving closer to stabilising after the worst of the immediate economic impact from the COVID-19 pandemic was felt back in April," IHS Markit chief business economist Chris Williamson said.

He cautioned however that longer term recovery prospects remain "highly uncertain" with weak demand, despite rising confidence and easing restrictions.

"Some of the recent gains in the PMI reflect short-term bounces as businesses returned to work, but demand clearly remains weak, as indicated by a further steep decline in backlogs of orders and an ongoing fall in new orders," Williamson said.

"Many COVID-19 restrictions and social distancing measures will also need to stay in place until an effective treatment or vaccine is available. The data comes after the Bank of England (BoE) last week forecast that the UK economy would fare better than expected as lockdown restrictions are fully eased."

The UK economy contracted by one fifth in April amid a nationwide lockdown imposed on March 23 to try and halt the spread of the coronavirus outbreak. The BoE predicts that the economy will shrink by another six percent in March, but will start to recover thereafter as both consumer spending and housing activity pick up.

Eurozone business decline slows

AFP, Brussels

Private sector economic activity in the eurozone shrank further in June but the rate of decline has slowed compared to the height of the coronavirus lockdown, IHS Markit said Tuesday.

The firm's closely-watched PMI index rose to 47.5 points from 31.9 in May and a historic low of 13.6 in April but was still below the key 50 points level, which represents a contraction. "Output and demand are still falling but no longer collapsing," said Chris Williamson, chief business economist at IHS Markit.

"While second quarter GDP is still likely to have dropped at an unprecedented rate, the rise in the PMI adds to expectations that the lifting of lockdown restrictions will help bring the downturn to an end as we head into the summer."

Jessica Hinds, European economist at independent analysts Capital Economics, said the survey "suggests that while the GDP outturn will undoubtedly be dreadful, it will not be as catastrophically bad as we had feared."

"Of the 19-nation single currency zone's largest players, France actually moved into positive territory but giant Germany's weaker score held the average down. "Overall, today's data provide some reassurance that the economy is getting back on its feet," Hinds said. "But with some restrictions still in place and fears of a second wave lingering, it will be some time before activity returns to pre-virus levels. "As the coronavirus outbreak swept the world in the first half of 2020, eurozone countries and their main partners in the rest of the EU and Britain, imposed lockdowns.

Apple switches to its own chips for Mac computers

REUTERS, San Francisco

Apple Inc on Monday said it will switch to its own chips for its Mac computers, saying the first machines will ship this year and ending a nearly 15-year reliance on Intel Corp to supply processors for its flagship laptops and desktop.

Apple Chief Executive Tim Cook said it marked the beginning of a major new era for a product line that powered the company's rise in the 1980s and its resurgence in the late 1990s.

"Silicon is at the heart of our hardware," Cook said during a virtual keynote address recorded at the company's Cupertino, California headquarters for its annual developer conference. "Having a world class silicon design team is a game changer."

The silicon switch brings the Mac into line with the company's iPhone and iPads, which already use Apple-designed chips. Cook said that Apple expects the Mac transition to take about two years and that Apple still has some Intel-based computers

in its pipeline that it will support for "many years." But the move will give software developers for Apple's largest pool of third-party apps - those built for iPhones and iPads - new access to its laptops and desktop for the first time. Apple software chief Craig Federighi said that for those offerings, "most apps will just work, with no changes from the developer" on the new Macs. He also said the "vast majority" of existing apps for Intel-based machines can be modified to work in "just a few days." But analysts said Intel would likely to continue to supply Apple with data center chips that power services such as iCloud. In a statement, Intel said Apple remained a customer "across several areas of business" and that it was still focused on the PC market.

"We believe Intel-powered PCs like those based on our forthcoming Tiger Lake mobile platform provide global customers the best experience in the areas they value most, as well as the most open platform for developers, both today and into the

future," Intel said.

Ben Bajarin, an analyst with Creative Strategies, said Apple's two-year window at moving to its own chips was likely aimed at holding on to Mac sales to corporations, where Apple has double-digit market share.

"There are just standards there (in corporate software) that run on x86" chips from Intel, he said. Apple "cannot abandon that as quickly as they want if they want to maintain the enterprise and commercial share for Mac, which is one of their major segments." As with previous Macs, the new Apple-chipped machines will remain able to download software from outside Apple's official app stores, in contrast to iPhones and iPads, which for the most part can only run software from Apple's stores. Apple shares gained 2.7 per cent to a record high, helping the Nasdaq Composite to a record close of its own.

Apple announced the moves at its Worldwide Developer Conference. The conference has gained new prominence since paid services sold through the App

Store have become central to the company's revenue growth as consumers have slowed the growth of iPhone upgrades. Apple takes a 15 per cent to 30 per cent cut of the sales developers make through the App Store, which is the only way to distribute software onto Apple's mobile devices.

Those fees, and Apple's strict app review process, have come under antitrust scrutiny in the United States and Europe, where regulators last week unveiled a formal probe into the company. In what appeared to be an acknowledgement of some critics, Apple said it would let users select non-Apple apps as default apps for tasks like email and web browsing on iPhones and iPads.

Apple this year added privacy protections, saying it would let users only share their approximate location with app developers and would require those developers to seek permission before sharing user data with other apps and websites. Apple also said it would require a privacy and security label, akin to a food nutrition label, to be shown to users before they download apps.

Thailand's tourism social enterprises help locals hit by coronavirus

REUTERS, Bangkok

When Thai travel consultancy Local Alike saw its revenue drop to zero due to the coronavirus outbreak, it started selling products from villages through social media.

The business has generated 2.6 million baht (\$84,000) for locals in 20 communities selling products from snacks to rice.

"It exceeded our expectations," said Somsak Boonkam, founder and chief executive of Bangkok-based Local Alike, which promotes sustainable tourism in 200 villages.

"From now on, we would like to serve as an e-commerce platform for communities." Thailand's social enterprises have been hit hard by the coronavirus, which has infected more than 3,100 people and killed more than 50 since January.

Although most businesses are allowed to reopen after a decline in new coronavirus cases, the country's borders are still closed, affecting the tourism industry.

Tourism is a key sector for the Thai economy, accounting for 18% of the country's gross domestic product last year.

But the industry's social enterprises - businesses that aim to do good - have adapted through the crisis, while also finding solutions for communities.

In response to high demand for the village products, Local Alike set up a separate company to handle the e-commerce platform, which will expand to 155 communities next year.

It hopes that by helping locals develop the products by improving packaging and product design, communities will be able to earn more.

Other social enterprises like civil society network SATARANA and HiveSters, set up to preserve disappearing cultures and help local communities, have also made online food delivery services a part of their long term business plan.

"(The coronavirus) has affected communities that once had income from tourism," said Achiraya Thamparipattra, chief executive at HiveSters, which returns 70% of the company's revenue back to communities through cultural tours.

"And for us, from now on we can no longer operate just as a tour company. Setting up a food

brand (that uses products from communities) will lower future risks."

Hotels and travel businesses expect business to pick up next month following the government's 22.4 billion-baht (\$723 million) domestic tourism stimulus plan, announced last week.

The package, which is expected to stimulate 2 million domestic trips from July to October, includes subsidies on accommodation, transport, food and attractions.

Starting next month, Wocation, a tour agency that promotes mental health through craft workshops and group counselling, is looking to bring its workshops - which includes cooking and ceramic classes - to people's doorsteps.

"Crafts are used by some people to heal their minds, and that can be done at home, which also promotes social distancing," said Pasiree Parichani, co-founder of Wocation, a social enterprise based in the northern province of Chiang Mai.

An embroidery kit, for instance, would contain woven fabric and naturally dyed yarn sourced locally from Chiang Mai, with 20% of sales going towards locals.

In Bangkok's Klong Toey district, Wilaiwan Bidinlae saw her income from selling Thai dessert drop by half during the lockdown, losing many foreign customers who used to come in group tours organised by Local Alike.

The company helped package and market her best selling sweets - sticky rice with coconut milk and fried spring rolls - on its social media accounts, which has helped her survive during the crisis.

Klong Toey is the city's oldest and largest slum, but Wilaiwan says her partnership with Local Alike has helped change that perception.

"Klong Toey has been portrayed in the media as a place with drugs and illegal activities, but when tourists come, they see that we have developed," she said.



Tourism is a key sector for Thailand's economy, accounting for 18 per cent of the country's gross domestic product last year.

REUTERS

| Zila Parishad Mymensingh www.zilamymensingh.org.bd | |
|---|---|
| Memo No. 46.42.6100.002.14.846.17-795 | Date: 21 June, 2020 |
| Re-Request for Expression of Interest (EOI) | |
| 1. Ministry/Division | Ministry of Local Government Division. |
| 2. Agency | Zila Parishad, Mymensingh. |
| 3. Name of procuring entity | Chief Executive Officer. |
| 4. Procuring entity district | Mymensingh. |
| 5. Project/program name | Construction of Modern Dakbanglow cum Hostel & Multipurpose Hall at Sadar Dakbanglow of Zila Parishad under Zila Parishad, Mymensingh during the year 2017-2018. |
| 6. EOI for Selection of | Consulting Firm (National). |
| 7. EOI Ref. & date | 46.42.6100.002.00.000.19.795 Date: 21 June, 2020 |
| 8. Procurement method | Quality and Cost Based Selection (QCBS) Method. |
| 9. Budget and source of fund | Revenue Budget of Zila Parishad. |
| 10. Title of service | Preparation of Master Plan, Architectural Design, Structural Design, Electrical Design, Planting Design, Acoustic Work, Lighting, Sound System Design, Fire Protection, Generator & Preparation of Details Estimate etc. |
| 11. Closing date and time of this EOI | Date: 07 July, 2020 Time: 15:00 Hrs (3:00pm) |
| 12. Address for submission of this EOI | Chief Executive Officer, Zila Parishad, Mymensingh. |
| 13. Brief description of the assignment | Preparation of Master Plan, Architectural Design, Structural Design, Electrical Design, Planting Design, Acoustic Work, Lighting, Sound System Design, Fire Protection, Generator & Preparation of Details Estimate, etc. |
| 14. Experience, resources and delivery capacity required for this EOI | The Designed Firm should have general experience of at least 10 (ten) years in consultancy assignment, of which at least last 07 (seven) years in Auditorium cum Multipurpose Hall/building construction projects. In addition, the EOI of the Firm/JVA shall be evaluated mainly considering the followings for short listing of Consulting Firm: <ul style="list-style-type: none"> Background of the firm with brochure; Legal up-to-date documents (Registration (Age), TIN, VAT, etc.); Financial capability/resources (Turnover of last three years); Availability of relevant experienced and sufficient key professionals including Architects & Engineers for conducting the assignment; Experience in preparation of at least 2 (two) Design, Drawing & Estimate of Acoustic Work which one having a capacity of not less than 10-Stored Multipurpose Building/500 seat capacity Auditorium/Multipurpose Hall. Experience in design (Architectural & Engineering) and supervision of minimum 10 (ten) storied building during last 5 (five) years; Experience in performing similar type of assignment/project including at least 1 (one) Auditorium/building project under government/wari-government/autonomous organization of total project cost not less than Tk 5000.00 lac within last 5 (five) years; Experience of the firm in other important physical infrastructures; Support services (office, staff, office equipment, vehicle, etc.); |
| 15. Other details | <ul style="list-style-type: none"> Expression of Interest (EOI) shall be submitted in sealed envelope, delivered to the address and within the date & time mentioned in this EOI; The Consulting Firm may form Joint Venture Association (JVA) with only one other similar Consulting Firm; Firm convicted by the court or blacklisted at home or abroad is not eligible for application; Consultant will be selected in accordance with PPA-2005 and PPR-2008; Further information may be collected from the undersigned during office hour. |
| 16. Location | Zila Parishad Dakbanglow, Mymensingh Sadar |
| Indicative start date | 1st August, 2020 |
| Indicative completion date | 30th October, 2020 |
| 17. Name, designation and contact details of the official inviting this EOI | Sharmila Nasrin, Chief Executive Officer, Zila Parishad, Mymensingh, Phone: 09165864 E-mail: ceozpmym@gmail.com |
| 18. The procuring entity reserves the right to accept or reject any or all Expressions of Interest (EOI) without assigning. | |
| Sharmila Nasrin Chief Executive Officer Zila Parishad, Mymensingh Phone: 09165864 (Office) E-mail: ceozpmym@gmail.com | |