## RBI holds rates steady, sees economic recovery taking root

The Reserve Bank of India (RBI) left key interest rates unchanged on Friday widely expected, while keeping policy accommodative to help pull the coronavirus-ravaged economy out of its worst slump in four decades.

India's economy has been the worst hit by the pandemic among major countries and new infections continue to climb, but RBI Governor Shaktikanta Das said there were some encouraging signs of a business turnaround and activity could return to growth in the January-March quarter.

As expected, the monetary policy committee (MPC) kept the repo rate, its key lending rate, at 4.0 per cent, while the reverse repo rate or the key borrowing rate stayed at 3.35 per cent.

The RBI has slashed the repo rate by 115 basis points (bps) since late March to cushion the shock from the coronavirus crisis and sweeping lockdowns to check its

The RBI sees India's real GDP contracting by 9.5 per cent in the current fiscal year, Das said in a webcast after the MPC meeting.

"The MPC is of the view that revival of the economy from an unprecedented COVID-19 pandemic assumes the highest priority in the conduct of monetary policy,"

"The MPC decides to maintain status quo on the policy rate in this meeting and await the easing of inflationary pressures to use the space available for supporting

August inflation, at 6.69 per cent, held



**Reserve Bank of India Governor Shaktikanta Das** 

above the top end of the RBI's medium- coming months, in line with the view of fifth consecutive month amid supply disruptions.

"The main reason for inaction today was the stickiness of inflation," said Shilan Shah, senior India economist at Capital Economics in Singapore.

But Shah expects prices to cool in

term target range of 2-6 per cent for the the RBI, which would give policymakers room to ease policy again.

"We think there is scope for another 50bp of rate cuts, which is a more dovish view than currently discounted in financial

India's major stock indexes rose 0.25 per cent after the central bank's decision, while

the 10-year benchmark bond yield fell by 7 basis points to 5.9630 and the rupee traded at 73.10 per dollar.

Asia's third-largest economy was already facing a cyclical downturn before the pandemic and is now expected to mark its first full-year contraction since 1979 as millions are left unemployed.

India has 6.84 million coronavirus cases, the second highest in the world, and its COVID-19 death toll has surged past 100,000, the third highest after the United

"I think the RBI expects that India's battle with COVID-19 will be a long drawn one and hence they have been selective in using monetary policy so that they have some buffer that they can use in the event there is a strong second or third wave," said Amit Shah, head of India research at BNP Paribas.

Governor Das said a renewed rise in infections remains a serious risk, but said factories and cities were slowly returning to normal while consumers were turning more upbeat.

The rural economy looks resilient and food grain production was set to hit new records after a good monsoon, Das said.

"In cities, traffic intensity is rising rapidly; online commerce is booming; and people are getting back to offices," he said. The mood of the nation has shifted from fear and despair to confidence and hope."

However, he noted that the rebound would not be a swift, V-shaped one, and rather forecast a 3-speed recovery, with some sectors like agriculture and allied activities set to bounce back first and others likely to improve more gradually.

### German exports rise in August, but at slower pace

German exports grew for the fourth straight month in August, official data showed Thursday, but the pace is slowing as Europe's largest economy settles into a new economic normality after the coronavirus lockdowns of the spring.

Exports grew 2.4 per cent month-on-month in August, after a 4.7 percent jump in July, federal statistics agency Destatis said in seasonally adjusted figures.

Imports grew 5.8 percent in August.

Germany shipped goods abroad worth 91.2 billion euros (\$107.3 billion) and imported goods worth 78.5 billion euros. The fourth consecutive monthly rise follows a steep plunge in activity in March and April when coronavirus lockdowns brought factories and businesses to a standstill.

Exports remain 10.2 percent below the same month a year earlier -- and 9.9 percent below pre-crisis levels in February - while imports were down 7.9 percent on August 2019. The German economy has shown signs of a strong rebound in the third quarter, mainly led by domestic demand as the country began easing virus restrictions in May.

Exports, a key driver of German growth, have played catch-up since then but remain highly dependent on how other countries are coping with the pandemic.

Experts say the momentum of Germany's recovery appears to be slowing as countries around the world grapple with a resurgence in Covid-19 cases.

While German exports to China fell by only 1.1 percent compared with August 2019, exports to the United States, which continues to be more affected by the pandemic, fell

"New restrictions on the back of increasing infections in many countries will also leave their marks on German exports... Clearly there are more headwinds than tailwinds for the export sector," ING economist Carsten Brzeski said.

Concerns are also mounting about Germany's own spike in cases.The country's disease control agency recorded more than 4,000 new daily infections on Thursday for the first time since early April, prompting its head Lothar Wieler to warn that Germany could see an uncontrollable spread of the virus.

# to fill factory jobs

REUTERS, Detroit

Millions of US workers have lost their jobs to the pandemic, but in the auto industry, suppliers are scrambling to find enough people to staff production lines, resorting to such approaches as rewards for good attendance and at-work teachers to lure job

At auto parts maker Mobex Global, Chief Executive Joe Perkins said he is boosting pay and offering bonuses to help fill 80 job openings. His engineering and machining company is running more overtime to meet

"It is the most critical issue in our company," said Perkins, whose firm has 12 US plants and counts General Motors Co and Ford Motor Co among its customers.

"We're using almost 10 staffing companies across the plants," he told Reuters. "We're using multiple jobs boards, ZipRecruiter, LinkedIn, Monster, local news stations, down to lawn signs, local papers, billboards, public transportation, church bulletins, you name it."

The US auto industry usually is the first in and the last out of an economic slump. The coronavirus crisis is different. Demand for new vehicles has rebounded. But fears of catching COVID-19 and problems caring

better position in terms of inventory."

Like all companies in the auto sector, suppliers' profits were hurt during the shutdown and now they are seeing more hits as they are forced to raise pay to attract workers and run more overtime to meet

Hourly pay in the auto sector has crept up to \$28.21 in September from \$27.65 in July and \$27.57 a year ago, according to the US Bureau of Labor Statistics. Meanwhile, overtime at auto parts plants jumped to higher levels than before the outbreak, averaging 4.3 hours a week in August, up from 3.8 hours in January and February.

"The hottest topic has been wage, wage, wage," said Dan Spallone, a vice president with staffing company Adecco who works with Midwest manufacturers. "There has to be return on investment for candidates to reenter the workforce." He said he has seen pay for plant workers rise as much as \$5 an hour.

The pressure is even more intense for smaller suppliers as their wage rates are lower than the automakers' and large suppliers', industry officials said.

The national unemployment rate stood at 7.9 per cent in September and federal officials said people misclassifying themselves as "employed but absent from work" meant the rate actually would

## US auto suppliers scramble | Cash no longer king in Italy as Covid-19 helps government push for plastic

Italy's love affair with cash is fading. The coronavirus is turning Italians off notes and coins and the government is launching a raft of incentives to accelerate the trend, believing plastic payment can curb rampant tax evasion.

The Treasury estimates some 109 billion euros of tax is evaded annually, equal to about 21 per cent of the revenue actually collected. The government believes the problem can be tackled by boosting digital payments which, unlike cash, leave a trace.

Prime Minister Giuseppe Conte spent electronically, tax breaks for outlets with card machines and a new 50-million euro (\$58.93 million) state lottery for card users only.

The coronavirus, which forced the government to lock down the economy between March and May, is helping his efforts.

"We have seen a surge in digital payments since the lockdown, I think mainly because of people not wanting to touch notes and coins,"



#### is offering refunds on some money A woman uses her card to pay the bill in a restaurant in Milan, Italy.

says Cinzia Di Siena, who has run a pharmacy in southern Rome for the last 13 years.

A study published last week by credit association Assofin, market research firm Nomisma and pollster Ipsos said the lockdown was a "major occasion for Italians to try out non-cash payments," with almost eight out of 10 making purchases online.

It reported that 31 per cent of Italians increased their use of e-commerce during the lockdown, versus 23 per cent of respondents in the United States, 18 per cent in Germany and 16 per cent in

Despite the recent trend, Italy is nowhere near the level of cashless purchases seen in much of northern Europe. European Central Bank data shows card payments in Italy last year accounted for 12.3 per cent of GDP, versus a euro zone average of 16.6 per cent.

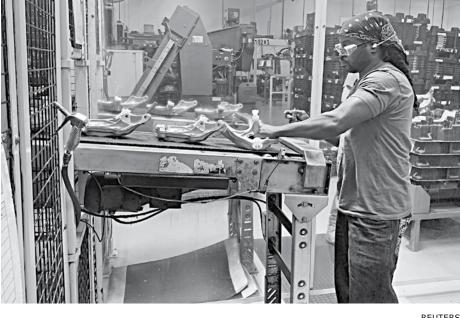
Many Italian market stalls and taxi drivers will still not accept cards, and it is commonplace for private doctors and other professionals to offer clients one fee for payment in cash and another, much higher one, for payment by card.

In his drive for a more cashless economy, Conte has promised that from Dec. 1 the state will refund Italians 10 per cent of all their credit or debit card spending up to a ceiling of 3,000 euros.

In addition, the 100,000 people who make the largest number of plastic payments, of any amount, n a six-month period, will get a "super cashback" payment of 3,000

Card payment receipts will be the tickets in the new state lottery next year, while from 2021 Italians will only be able to deduct medical expenses from their annual tax returns if they attach an electronic payment receipt.

Sabrina Patrizi who has run a fishmongers for 20 years at the bustling Alberone street market in southern Rome, said the incentives are already changing shoppers' habits even before they come into force.



#### A production worker performs final quality inspection before packaging knuckles for shipment at a factory of auto supplier Aludyne in Michigan, US on October 7.

for school-age children are keeping many workers at home, compelling employers to raise pay despite the high national jobless rate, industry executives said.

Many suppliers are dealing with absenteeism rates of 10-15 per cent, said Brian Collie, head of Boston Consulting Group's global auto practice. That has led the United Auto Workers to give the Detroit automakers more latitude on using temporary workers to cover for absent full-time employees, union President Rory Gamble told Reuters.

John Dunn, Americas CEO for Clean Energy Systems, a Plastic Omnium unit that makes fuel and emissions-reduction systems, said his company has raffled gifts to employees in reward for good attendance.

"We'd like to ship more," said Andreas Weller, CEO of aluminum parts maker Aludyne, whose company is struggling to fill 200 open jobs, mostly in western Michigan and Georgia. "We haven't shut anybody down yet, but we'd like to be in a

have been 8.3 per cent. In durable goods manufacturing, however, the labor market is tighter, with an unemployment rate of 5.7 per cent.

Indiana, for instance, lost almost 85,000 manufacturing jobs in March and April but subsequently regained almost 51,000 through August, bringing employment in the sector to about 501,000 people. Michigan's auto sector employment was almost halved to about 96,000 people at the height of the outbreak in April, but rebounded 71 per cent through August.

That tighter job market has suppliers taking unusual steps to attract and retain employees. Friday pizza parties are just the price of entry.

One laser mechanics company outside Detroit hired a teacher to help employees' children with their virtual schooling from the company's training room as a way to encourage attendance, according to Dan Hearsch, managing director in the auto practice for consultancy AlixPartners.

### Daimler labour chief urges lawmakers to promote car charging

European lawmakers should promote electric car charging infrastructure as aggresszively as they seek to lower carbon dioxide emissions, Michael Brecht, works council chief at German carmaker Daimler, told Reuters

Carmakers have warned that European Commission proposals to cut average new car emissions in 2030 by 50 per cent below 2021 levels threaten manufacturing jobs, which are heavily dependent on assembling combustion engine cars.

Overall demand for cars could suffer if ownership of electric vehicles was not made more attractive with more readily available charging networks, Brecht said.

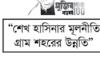
"The political establishment should not decide on a green deal to tighten carbon dioxide emission limits unconditionally," Brecht told Reuters. "There has to be a master plan for ramping up charging infrastructure. There are lots of small initiatives but there is nobody bringing it all together."

GD-1614

#### Government of the People's Republic of Bangladesh

Local Government Engineering Department Office of the Executive Engineer

District: Cumilla www.lged.gov.bd



Memo No. 46.02.1900.000.07.001(Part-2).18-4567

Date: 05/10/2020

#### e-Tender Notice Tender Notice No. 14/2020-2021

SI.	Package No.	Name of works	Tender/	Method of
No.			Proposal ID No.	tender
1	SupRH/Cum/ Replace/20-21/W-05	Replacement of 30m long RCC Girder Bridge on Maisatua UP-Kaliapur Bazar Road via Hazipura Bazar at Chainage.227m (Road ID 419903022) under Monohorganj Upazila, District: Cumilla.	502320	OTM
2	CW-09a/ RCIP/CUM	01. Improvement of Kadoir Bazar (Suvapur UPC)- Banggodda GC Road via Unkot Kayerdhan Road at Ch: 00-5086m under Chouddagram Upazila, (Road ID 419313022). 02. Improvement of Batisha NHW – Tarashail Bazar (Lal Msq) Road via Batisha UP, Debipur Road at Ch: 00-5115m under Chouddagram Upazila, (Road ID 419313007). 03. Improvement of Adra UP – Manikmura Bazar Road Via Volain Bazar & Ghuramaidan Road at Ch: 00-5475m under Nangolkot Upazila, (Road ID 419873008) (Total cost of salvage materials Tk 36,70,162.00)	501731	OTM
3	CW-09b/ RCIP/CUM	01. Improvement of Barura GC – Modaforganj RHD Road from Ch. 00m-10049m (Effective Length-9.314km) under Barura Upazila (Road ID 419092013). 02. Improvement of Paranpur Bazar (R&H)-Payelgacha UP Office Road from Ch: 00m-8107m (Effective Length 7687m) under Barura Upazila, (Road ID 419093004). 03. Improvement of Laksam H/Q – Natherpetua RHD via Munshirhat GC Road (Monohargonj Portion) at Ch: 3758m-9100m under Monohargonj Upazila, (Road ID 419902009). 04. Improvement of Laksam Upazila HQ-Chitoshi RHD (Moulana Bazaar) via Sreeyang Road at Ch: 3000-8000m, Laksham Upazila, (Road ID 419722005). (Total cost of salvage materials Tk 29.83.891.00)	501732	ОТМ

This is an online tender, where only e-Tender will be accepted in the National e-GP Portal and no offline/hard copies will be accepted.

To submit e-Tender, registration in the National e-GP Portal (http://www.eprocure.gov.bd) is required. The fees for downloading the e-Tender documents from the National e-GP Portal have to be deposited through online at any branches of registered bank up to 10-11-2020, 17:00pm.

Further information and guidelines are available in the National e-GP System Portal and from e-GP help desk (helpdesk@eprocure.gov.bd). The Tender Notice will be available on the website: www.lged.gov.bd

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