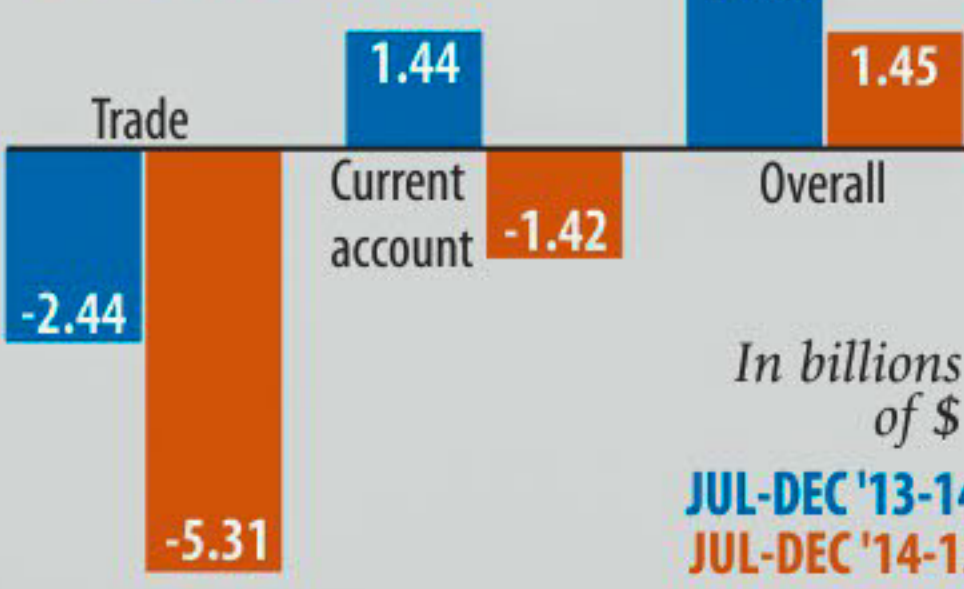


SURPLUS IN BoP ERODES

The surplus in the balance of payments (BoP), an accounting record of all monetary transactions between Bangladesh and the rest of the world, eroded by almost half to \$1.45 billion in the first six months of fiscal 2014-15, compared to the same period of the previous fiscal year, due mainly to a significant rise in imports.

SURPLUS IN THE OVERALL BoP DECLINED

44.66%



BB FORECASTS FOR THIS FISCAL YEAR

Export growth	8%
Import growth	15%
Remittance growth	12%
Overall surplus	\$642m

THE SURPLUS WAS \$5.48B LAST FISCAL YEAR



KHONDAKER GOLAM MOAZZEM

Additional director of research at Centre for Policy Dialogue

A weak BoP in the first half of this fiscal year is partly associated with negative current account balance owing to high growth in import of goods against a slow rise in exports of goods and services.

A part of the rise in imports seems suspicious as reported by CPD because of exceptionally high growth in imports of machinery this year which might happen through 'misdeclaration' and 'mispricing' of goods while imported.

RESEARCH: REJJAUL KARIM BYRON, SARWAR A CHOWDHURY

MONETARY POLICY STATEMENT

Looking ahead to the second half of fiscal 2015, our balance of payments projections show that there will be a correction in the pace of export growth as the existing outcome of export earnings appears to be the lag effect of cancelled garment orders, political deadlock in the first half of 2014 and the Rana Plaza building collapse, along with a pick-up in imports as investor confidence grows.

DESIGN: DS CREATIVE GRAPHICS

A luxury resort opens in Cox's Bazar

Royal Tulip Sea Pearl Beach Resort costs Tk 500cr

STAR BUSINESS REPORT

Cox's Bazar is set to get a new eco-friendly resort in May to cater to upmarket tourists from home and abroad.

The resort -- Royal Tulip Sea Pearl Beach Resort -- is being built on 14 acres of land at Inani, some 20 kilometres away from Cox's Bazar, with an investment of around Tk 500 crore.

"We have chosen Inani to set up the five-star property thanks to its rich coral wealth and turquoise," AHM Mokbul Hossain, its chief executive officer, said at a press conference in Dhaka yesterday.

The resort, which would come with 493 rooms, will be one of the biggest in South Asia, according to its Managing Director Aminul Haque.

The facilities include: two large swimming pools, spa, billiard room, fitness centre, amphitheatre, landscape garden, three restaurants and children's play zone. The property will also house a water park.

The resort will be operated by Europe's Louvre Hotels Group, which is allied with Golden Tulip Hospitality Group operating in the upper- and luxury segments of the market. Cox's Bazar has immense potential to attract foreign tourists as it is the largest unbroken sea beach in the world, said Vimal Singh, managing director of Golden Tulip South Asia.

Currently, it has 16 operational hotels across leading business and leisure destinations in India, with plans to establish 50 operational hotels in the Indian subcontinent by 2015, he said.

Haque, who already owns three-star hotel Sea Crown in Cox's Bazar, started construction for the resort in October 2010. A franchise and management agreement was signed with Louvre Hotels in July last year.

Prime Bank and other nine lenders raised Tk 85 crore in syndicated loans in 2010 for construction of the resort.

The resort is an eco-friendly property; wastes and water will be recycled and solar power will be used, Haque said.

It will also be the first hospitality property to introduce the timeshare concept in Bangladesh. Timeshare is a form of ownership or right to the use of a holiday property in which multiple parties hold rights to use the property.

The model also allows members of a hotel to swap or exchange time with another affiliated hotel or resort anywhere in the world depending on availability.

Timeshare members of the resort will be able to use the facilities of Interval International-affiliated 2,500 hotels and resorts in over 75 countries.

A member will be given seven days to spend in any Interval International-affiliated resort every year, he added.

Household debt keeps Thailand Southeast Asia's sick man

AFP, Bangkok

SINKING in heavy repayments to loan sharks, Non says payday is nothing more than a cruel reminder of his dire finances.

Household debt has surged to alarming levels in Thailand; just one of a welter of issues dragging on the economy despite a vow by the ruling junta to revive the kingdom's fortunes.

"I have more outgoings than income," Non, a 37-year-old tyre factory worker tells AFP from his modest family home on the outskirts of Bangkok.

"Each month, 30 to 40 percent of my salary goes solely towards repaying the interest on my loans," he adds.

Thai households are among the region's biggest borrowers, a credit binge stoked by populist policies and low bank interest rates -- but also low wages that keep the poor perilously close to the breadline and make them ready bait for illegal loan sharks.

The debt levels are worrying the generals who seized power last May promising to end a near-decade of political turmoil and restore zip to Thailand's once-dynamic economy.

The country narrowly avoided recession during protests against the ousted administration of Yingluck Shinawatra, which paralysed government spending and frightened off tourists and investors.

Nine months after the military power grab, signs of economic recovery are still few with fourth quarter GDP figures, to be released on Monday, expected to come in at around 0.8 percent for 2014.

There is some good news, with tourism arrivals bouncing back despite martial law, and exports -- which account for around 60 percent of the economy -- showing a slight improvement.

Yet two key Thai commodities -- rice and rubber -- are currently at record low prices and the country is flirting with deflation.

And with the political outlook still

uncertain, consumer confidence remains depressed as Thais hold off from buying flats, cars and durables.

At the heart of that malaise lies Thailand's eye-wateringly high household debt.

"Thailand has seen one of the sharpest surges in household debt in the region, with the debt-GDP ratio rising from 60 percent to 85 percent over the past five years," Krystal Tan, an analyst with Capital Economics, told AFP.

Low interest rates and widespread access to credit through banks and illegal loans have led to a deeply ingrained culture of borrowing over the past decade.

But policies by the previous government -- including a huge tax rebate scheme for first-time car buyers -- have also encouraged millions to take out loans that they are now struggling to repay.

The debt ratio is worrying the junta, which has pushed back the timeline for a restoration of democracy until 2016 and pegged its legitimacy to steering an economic revival.

"Please refrain from racking up debts," junta leader Prayut Chan-O-Cha told viewers in a recent edition of his weekly televised address, warning mounting bills "may slow down the country's progress."

Non's family is typical of those living beyond their means.

In 2011, the region was hit by huge floods that destroyed their fridge, television and furniture.

Non borrowed to replace those items, partly from his bank, but mostly from illegal loan sharks who charge interest rates of between 10 and 20 percent.

He just about managed his debts until the factory cut his hours as the economy slumped.

Now, he needs to find 20,000 baht (\$610) each month to pay his bills. But his salary brings him just 14,000 baht. So the debts keep mounting.

Apple in big solar power deal, market cap closes over \$700b

REUTERS, San Francisco

APPLE Inc will buy about \$850 million of power from a new California solar farm to cut its energy bill, the iPhone maker said on Tuesday as its stock market value closed above \$700 billion for the first time.

The First Solar Inc plant, with the capacity to power the equivalent of 60,000 homes, will be used to supply electricity for Apple's new campus in Silicon Valley, and its other offices and 52 stores in the state, Chief Executive Tim Cook said at a Goldman Sachs technology conference in San Francisco.

Cook addressed investors as Apple's stock market value closed at \$710.74 billion for the first time, buoyed by record sales of big-screen iPhones and a December-quarter profit that was the largest in corporate history.

power producers.

Construction of the 2,900-acre California Flats Solar Project is expected to start in mid-2015 and finish by the end of next year, First Solar said in a statement.

Apple will receive electricity from 130 megawatts of capacity under a 25-year purchase agreement, the largest in the industry to provide clean energy to a commercial end user, First Solar said. Output of the project's remaining 150 megawatts will go to Pacific Gas and Electric Co.

Apple will not receive an equity stake in the project and will make the payments over the lifetime of the deal rather than all at once, First Solar spokesman Steve Krum said.

"The reason that they made this choice is because they saw a way to save economically," Krum said. "You won't have price volatility from other fuel sources. The fuel is free. It's competitively priced from other options they would have."



AFP/FILE

The Apple logo is seen at the Yerba Buena Centre for Arts in San Francisco.

Apple was already the world's largest publicly traded company by stock value. The plant in Monterey County, California will also power an Apple data center in Newark, California that already relies on solar power.

"We expect to have a very significant savings because we have a fixed price for the renewable energy, and there's quite a difference between that price and the price of brown energy," Cook said.

"We know in Apple that climate change is real. The time for talk is passed," he added. "The time for action is now."

First Solar, based in Tempe, Arizona, manufactures solar panels and builds solar power plants, many of which it sells to

The project could not have gone forward without Apple's participation, Krum said. Apple already uses renewable energy to power its data centers. Last week, it said it would invest \$2 billion over 10 years to convert a failed sapphire glass plant in Arizona into a data center that would be powered mostly by solar energy.

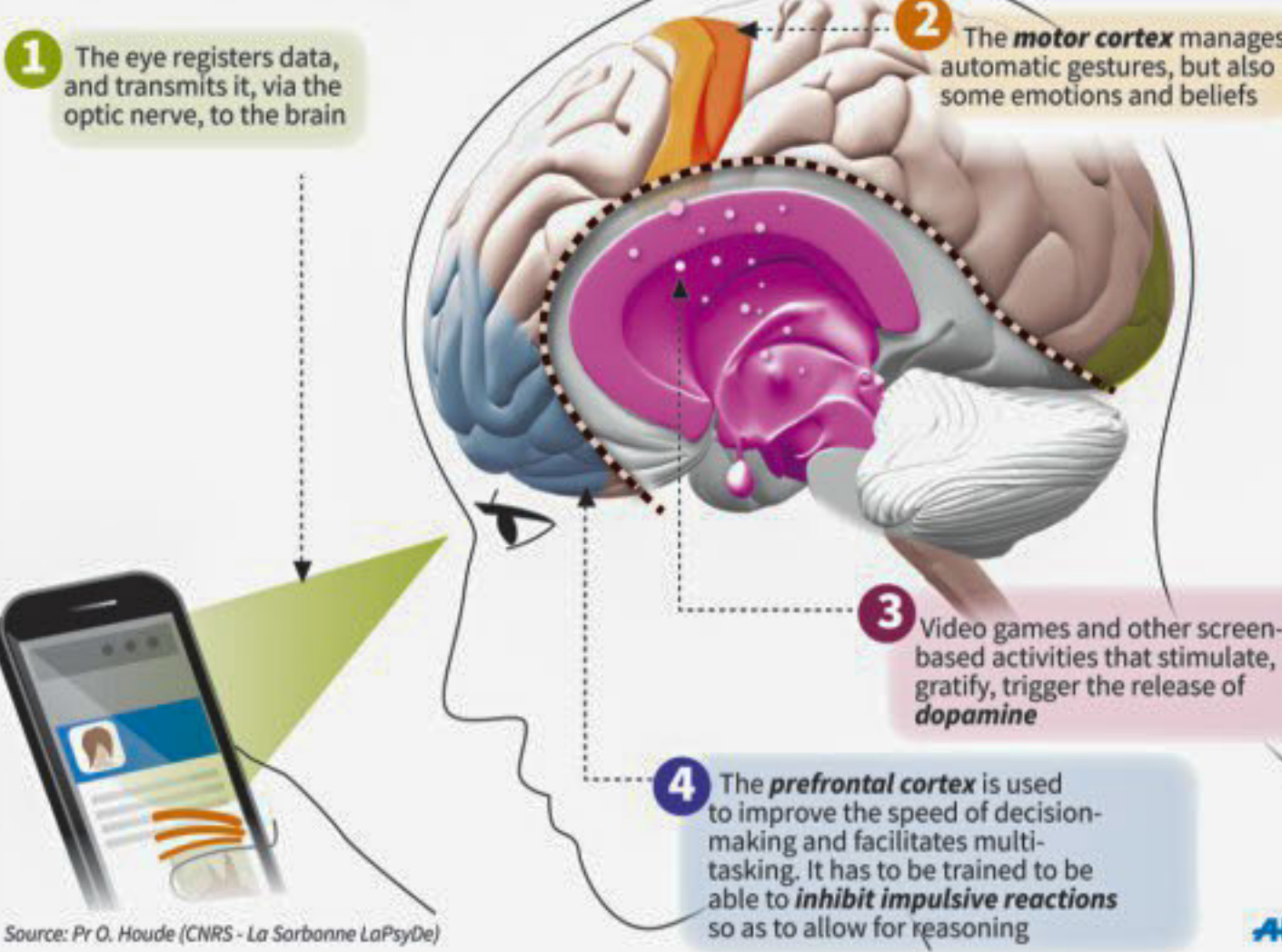
"Apple still has work to do to reduce its environmental footprint, but other Fortune 500 CEOs would be well served to make a study of Tim Cook," Greenpeace said in a statement following Tuesday's announcement. Shares of Apple ended up 1.92 percent at \$122.02. First Solar rose 3 percent in extended trade after closing up 4.77 percent at \$48.54.

Generation Z: Born in the digital age

AFP, Paris

Generation Z: inside the brain of the digital natives

Hard-wired to the new technology, the youth of Generation Z have developed fast hand-eye reflexes to master their gadgets; but researchers say their reasoning skills and self-control have suffered.



watch American blockbusters like "Hunger Games" or "Divergent", listen to Korean K-pop and, when they dance, they "twerk".

When they speak, their vocabulary is peppered with acronyms, incomprehensible to those not in the know. "Swag" is the new "cool". And their new idols are Internet stars, like PewDiePie, who has the world's most subscribed YouTube channel.

People from Generation Z find it easier to talk online than in

person. Their friends on social media are as important to them as their friends in real life but sometimes they do actually meet up in person with these "virtual" pals.

More than eight out of 10 are hooked on social networks and more than half of them think that this is where their real social life takes place. They are on dating websites from the age of 16 -- sometimes before.

Even as young as they are, they have already seen so many tech-

nologies become obsolete. For this reason, they have become the ultimate "self-educators", learning how to use new stuff via self-help videos on YouTube.

As for the web, violence, porn, they've already seen it all.

According to US consultancy Sparks and Honey, the average Generation Z-er spends more than three hours a day in front of a screen.

They live in constant "FOMO", fear of missing out. They can't stand the idea of not being in the loop when something new and exciting comes out.

Facebook is their main poison, despite its flagging popularity among some Americans. Photos on Instagram, quick messages on Snapchat. Twitter and Tumblr are omnipresent.

But it's not all passive: Generation Z are also putting themselves out there on YouTube or "Vlogging" (video blogging), hoping to become the next "Fred" (Lucas Cruikshank), who made his name at the grand old age of 13.

Everyone surfs the web while watching the TV and they think that everything is possible with technology. But, they have a short attention span and tend to skim-read rather than read properly, which can lead to difficulty at school.

Most US firms feel 'targeted' by China: survey

AFP, Beijing

MOST US firms in China feel "targeted" by authorities, a survey said Wednesday, as the government embarks on a series of high-profile investigations into foreign businesses.

An American Chamber of Commerce survey found 57 percent of respondents believed foreign firms are being singled out in China's pricing, anti-monopoly and anti-corruption campaigns under President Xi Jinping.

Of those who said foreign firms were being targeted, 65 percent said they fear such campaigns will have a negative impact on them.

The results were part of the 17th annual business climate

survey by the American Chamber of Commerce in the People's Republic of China (AmCham China), which had responses from 477 of the organisation's 1,012 company members.

"All of us are concerned, because we're on the sidelines for the most part watching and monitoring the campaigns by Xi Jinping and the leadership," AmCham China chairman James Zimmerman said at a news conference announcing the results.

"We don't know if it's going to slow down, or who is going to be targeted next," he said. "All we can do is set an example and do the right thing -- exercise zero tolerance when it comes to these issues, put in place compliance programmes and cooperate with

the government when these things come up."

Nearly half of US firms in China -- 47 percent -- say they feel "less welcome" in the country than before, up from 44 percent last year.

The survey's release comes after Chinese authorities stepped up scrutiny of foreign firms, launching sweeping investigations into alleged malpractice in sectors ranging from pharmaceuticals to baby formula over the past two years.

This week US mobile chip titan Qualcomm said it will modify its business practices in China and pay 6.088 billion yuan (around \$975 million) to end a long-running antitrust probe in the country, in perhaps the biggest

fine ever levied by Beijing in such a case.

Other businesses such as Apple and Starbucks have sometimes received unfavourable coverage in state media over issues regarding service and pricing.

The moves have prompted fears from investors that overseas companies are being especially targeted. China maintains that its anti-monopoly law does not discriminate between domestic and foreign firms.

The AmCham survey highlighted a number of other areas of growing concern for US companies doing business in China, including the country's choking air pollution, its slowing growth and the ruling party's ever-tighter grip on the Internet.