

Govt to import 11 lakh tonnes of petroleum

Chinese firm to build tunnel under Karnaphuli river at \$706m

STAR BUSINESS REPORT

The cabinet committee on purchase yesterday approved a proposal to import 10.85 lakh tonnes of finished petroleum products from various countries under government-to-government arrangements.

According to the proposal, the fuel will be imported from China, Turkey, Indonesia, the Philippines, Vietnam, Malaysia, Brunei, Oman and the UAE. The estimated price of the fuel is \$621 million.

An official of Bangladesh Petroleum Corporation (BPC) said 99 percent of the products imported between July and December have already reached Bangladesh.

Prices of most of the finished petroleum products have been set at \$71.11 a barrel, the market rate as of June 15, 2015, according to the energy ministry proposal.

The BPC official said there is always a price difference of \$13 to \$14 a barrel between the finished product and the crude

oil. The market price of crude oil is now below \$40 a barrel, while the price of the finished product is \$52 to \$53, he added.

The actual price of the fuel will be determined according to the market price on the day it is supplied, he said.

The purchase committee also approved the appointment of China Communications Construction Company Ltd as the construction firm for building a tunnel under Karnaphuli river.

The project cost has been estimated at \$705.80 million, which is equivalent to Tk 5,643 crore. However, the cost would be Tk 6,478 crore when tax and VAT are included.

The entire amount of \$705.80 million will be given to the Bangladesh government as loan by China. A condition was tagged with the loan that a firm nominated by China will do the work.

The purchase committee also approved a proposal to import 50,000 tonnes of wheat from UAE-based Phoenix Commodity at a price of \$233.96 a tonne.

Idea launches 4G ahead of Reliance rollout

REUTERS, Mumbai

Idea Cellular Ltd, India's third-biggest mobile phone operator, launched high speed fourth-generation (4G) mobile phone services across South India on Wednesday, beating the long-awaited debut of rival Reliance Jio.

Idea said a handful of major towns were covered immediately, but all towns and cities in Andhra Pradesh, Karnataka, Kerala, Tamil Nadu and Telangana would be covered by March 2016.

Reliance Industries Ltd, headed by India's richest man Mukesh Ambani, has yet to announce a date for its own roll-out of what will be the nation's biggest 4G broadband network.



Mockbul Hossain, chairman of Samorita Hospital, presides over the 30th annual general meeting of the company at Samorita Hospital and Medical College Auditorium in Tejgaon, Dhaka yesterday. ABM Haroon, managing director, was also present. Samorita declared 20 percent cash dividends for the year that ended on June 30, 2015.

Ahmed Shaheen, deputy managing director of Prime Bank, opens the bank's 143rd branch in Nawabganj, Dhaka on Tuesday. MA Salim, head of the new branch, was also present.



PRIME BANK



Quazi Ashiqur Rahman, head of operation at Doze Internet, and Faizur Rahman, head of customer value management of HSBC, pose at the signing of an agreement. HSBC customers can now enjoy 20 percent discounts on installation charge for each unit (with or without WiFi) and for a limited time period, free installation of 10 Mbps (100GB) or 25 Mbps (300GB) packages.

Google developing new messaging app

REUTERS

Google, part of Alphabet Inc, is building a new mobile messaging application to better compete with rival services such as those offered by Facebook Inc, The Wall Street Journal reported.

The new service would tap into Google's artificial intelligence know-how, integrating chatbots, or software programs that answer questions, inside a messaging app, the Journal reported on Tuesday, citing people familiar with the matter.

The new app will enable users to text friends or a chatbot, which will search the web and other sources for information to answer a question.

It is unclear when the service will be launched, or what it will be named, the report said. Google declined to comment.

Popular messaging apps include Facebook's WhatsApp and Messenger services, and Tencent Holdings Ltd's WeChat, while Google has a service called Hangouts.



Md Abdul Halim Chowdhury, managing director of Pubali Bank, opens the 441th branch of the bank at Belabo, Narsingdi. Safiul Alam Khan Chowdhury, deputy managing director, was also present.

PUBALI BANK

US third quarter growth estimate cut to 2pc

AFP, New York

The US economy grew at 2.0 percent in the third quarter, slightly weaker than previously thought, due to lower exports and business investment on inventories, according to US data Tuesday.

The government's estimate of gross domestic product -- the broad measure of the economy's output of goods and services -- edged down from the prior estimate of 2.1 percent.

Analysts described the report as robust, pointing to firm spending on such key categories as consumer spending and housing investment. "I would characterize it as solid growth," said Nariman Behraves, chief economist at IHS.

"Once you get past some of these anomalies having to do with inventories and with weakness overseas, the good news is the domestic parts of the economy are very solid."

The report overall "does little to change the picture of solid domestic activity offset by weakness abroad," Barclays said. "Soft global growth and the lagged effects of lower energy prices and a stronger dollar continue to weigh on trade and manufacturing."

The July to September growth was in line with analyst estimates and marked a slowdown from the 3.9 percent growth in the second quarter.

Personal consumption expenditures, which drive about two-thirds of the activity in the US economy, rose by an estimated 3.0 percent, as previously estimated.

That is below the 3.6 percent in the second quarter, but well above the 1.8 percent in the first quarter.

Some of the bigger factors in the downward revision from the prior estimate included a 0.7 percent drop in business inventories and export growth of just 0.7 percent, down from the prior 0.9 percent, as the strong dollar continued to weigh on trade.

BBVA said the drop in inventories was not worrisome and "suggests that we will see a stronger contribution in 4Q15 as businesses increase production alongside expectations for more robust demand during the holiday shopping season."

But the drag of the strong dollar "is still lingering and there does not appear to be much upside for net exports in 4Q15 thus far," BBVA said.

UK growth slowdown takes rate-hike pressure off BoE

REUTERS, London

Britain's economy grew less strongly than previously thought in much of 2015, according to official data that may give the Bank of England pause for thought as it ponders when to raise interest rates.

Britain's economy expanded by 0.4 percent in the third quarter, down from a previous estimate of 0.5 percent and below the forecasts of 35 economists polled by Reuters, who had all expected no change in the figure. Growth in the second quarter was revised down more sharply.

Weaker growth in the huge ser-

vices sector, especially in financial services, was behind the new, lower assessment of growth for the July-September period, the Office for National Statistics said on Wednesday.

The BoE has previously said it expects growth in the third quarter will eventually come in at 0.6 percent.

"There will be even less near-term pressure to raise interest rates," Philip Shaw, an economist with Investec, said.

Most economists have previously said they expect no move by the BoE until around May of next year. Financial markets expect no rate hike

until late 2016 or early 2017.

In annual terms, overall economic growth in the third quarter was revised down to 2.1 percent from a previous reading of 2.3 percent.

Economists taking part in a Reuters poll had expected no change to the previous ONS estimates. Sterling briefly fell after the data and government bond prices edged up.

Britain has grown more quickly than most other developed economies over the past two years, helping Prime Minister David Cameron and chancellor George Osborne to lead their Conservative Party to an election victory in May.

WTO meeting disappointing for Bangladesh: CPD

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"Here, I want to say, in future, the cotton price might go up globally, as the developed countries' decision of suspension of subsidies will come into effect soon."

In this case, Bangladesh will have to import cotton at higher prices, as the country is poised to be the highest cotton importer this season, surpassing China.

The world leaders also could not advance the discussion on the waiver in services to a satisfactory level at the meeting, he said.

"In this case too, the discussion remained unfinished and again the LDCs lost the opportunity."

The world leaders also could not show any good progress in ratifying the Trade Facilitation Agreement that was adopted at the ninth WTO ministerial conference in Indonesia in 2013.

"Finally, I will say the discussion at the WTO was not inclusive, as some

major players such as India, Brazil, China, the EU and the US discussed exclusively in the meeting."

Rahman now advised the government to find ways to sign agreements such as the Trans Pacific Partnership, through which it can get duty-free access for its garment products.

Echoing the views of Rahman, Debapriya Bhattacharya, distinguished fellow of the CPD, also suggested the government devise a strong trade strategy so that the country can be more competitive in the changed global scenario.

Bangladesh will have to consider three important issues while formulating the strategies, Bhattacharya said.

They are: continuing the leadership of the LDC group in the WTO, joining bilateral and multilateral trade agreements like the EU and the TPP, and playing strong roles in the regional and sub-regional trade deals like the South Asian Free Trade Area.

"Bangladesh should strengthen the research as many things are happening and will happen in the repositioning of the global scenario like unstable global security challenge and climate change impacts," Bhattacharya said.

The global leaders though managed to strike a deal on the relaxation of rules of origin of products, which will be beneficial for LDCs. Rules of origin are the criteria needed to determine the national source of a product.

From now, LDCs will enjoy duty-free access if only 25 percent value is added in their respective countries, even if the raw materials were sourced from other countries, Rahman said.

In other words, a product will qualify as "made in an LDC" even if manufacturers use imported materials up to 75 percent of the final value of the product.

Uber partners with major Chinese auto maker

AFP, San Francisco

Uber on Tuesday announced a partnership with a major Chinese auto maker as the controversial ride-sharing service revived its efforts in the country.

Uber and Guangzhou Automobile Group will work together in areas including investment, sales, marketing, and promoting new energy vehicles such as hybrid or electric cars, the San Francisco-based company said in a release.

Terms of the strategic partnership included Uber China promoting GAC automobiles and the group's used-car trading platform to ride-sharing service drivers and partners.

Protest against new pay scale is utter nonsense: Muhith

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A committee has been formed to look into these matters; a decision will be taken on the basis of the report by the committee, he added.

The finance minister yesterday submitted his income tax return online, 23 days after the expiry of the deadline.

Muhith said he got an extension on the timeframe for his income tax return submission by one month. He paid Tk 117,533 this time, but he got Tk 61,663 as refund as he paid more taxes earlier, he added. This year, his taxable income was Tk 10,13,722 and his wealth increased by Tk 424,978, while his asset stood at Tk 27,94,967.

Six banks sign deals with BB in refinance scheme

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"The fund will enable the manufacturing sector to remain competitive and grab business opportunities," she said.

Sultana also said the prevailing dearth of investment will diminish and many entrepreneurs will come forward to take the opportunity. Md Ahsan Ullah, project director of FSSP, signed the agreements on behalf of the central bank with the managing directors of the banks.



Mohammad Ismail, chairman of Bangladesh Krishi Bank, signs the approved balance sheet of the bank for 2015, at its head office on Tuesday. MA Yousoof, managing director, was also present.



Md Khurshid Alam, general manager of Bangladesh Bank, Rangpur, and M Ahsan Habib, senior executive vice president of One Bank, pose during a programme to distribute sewing machines among poor women of former enclave areas of Debiganj, Panchagarh, Beluadangi and Netrokona yesterday.



Employees of Delta Brac Housing Finance Corporation pose during "volunteers-sponsorship home building activities" launched by Habitat for Humanity International Bangladesh, at Anandanagar in Dhamrai, Dhaka.