

India's thirst for gasoline helps spur global oil demand



Oil tankers are parked at a yard outside a fuel depot on the outskirts of Kolkata.

REUTERS, London

India's gasoline consumption is surging and has become one of the fastest-growing components of global oil demand.

With other parts of the global economy struggling, continued growth in gasoline consumption in India, together with the United States and China, has become one of the most important indicators for global oil prices.

Saudi Arabia and other members of the Organization of the Petroleum Exporting Countries are relying on India's continued consumption growth to help absorb excess crude supply and rebalance the oil market in 2016/17.

India's drivers used 500,000 barrels per day of motor spirit in the 12 months ending in February 2016, according to the Petroleum Planning and Analysis Cell of the Ministry of Petroleum.

Gasoline consumption rose by more than 60,000 bpd in 2015 compared with an increase of 240,000 bpd in the (much larger) US market.

Gasoline still accounts for a relatively small share, about 12 percent, of refined petroleum products consumed in India. The corresponding figure for the United States is 47 percent.

But gasoline consumption has been growing much faster than petroleum demand as a whole as the country becomes more affluent and the expanding urban middle

class become car owners.

Gasoline consumption has grown at a compound annual rate of 11 percent over the last five years compared with 5 percent for other products.

Gasoline consumption growth surged to around 14 percent over the last year compared with 9 percent for other products.

Gasoline consumption has doubled since the start of 2009 and quadrupled since 1999, according to India's Central Statistics Office.

India's growing number of drivers provided the third-largest increase in gasoline consumption anywhere in the world last year after the United States and China.

The Ministry of Petroleum predicts gasoline consumption will increase further to almost 800,000 bpd by 2021/2022.

Since actual consumption is already running ahead of the five-year plan the eventual outcome could be higher.

Sales of passenger cars and utility vehicles are expected to grow by as much as 12 percent in 2016/17 up from 6 percent in 2015/16, which translates to around 230,000 new vehicles hitting the roads every month.

The government plans to spend around \$14 billion in the next fiscal year upgrading the country's road network.

Consumption of other fuels and lubricants is also growing, although not as fast as the super-charged gasoline market.

India's total petroleum consumption has increased by around 340,000 bpd over the last year, with gasoline accounting for more than 18 percent of the increase.

India's fuel markets have become one of the most important sources of global oil demand growth.

India accounted for more than one barrel in every six of extra oil demand reported in 2015, according to estimates prepared by the International Energy Agency.

Total consumption of petroleum products has doubled from 2 million bpd in 1998/99 to almost 4 million bpd in 2015/16.

India's oil ministry predicts consumption will hit 5.4 million bpd by 2021/22.

Starwood Hotels dumps Marriott for raised Chinese bid

AFP, New York

Starwood Hotels said Friday that it favors a takeover bid from a consortium led by China's Anbang Insurance over an earlier deal with Marriott, after the Anbang group increased its offer.

Starwood's board was persuaded by Anbang's \$2 increase in its Monday offer to \$78 a share, and said it plans to notify Marriott International that their already agreed merger was off.

Starwood had agreed to Marriott's \$63.74 per share cash-and-stock offer last November for its network of 1,270 properties in 100 countries,

including the Westin, Sheraton, Le Meridien and W brands.

But the Chinese giant stepped in the way this week as it announced nearly \$20 billion in two proposed hotel takeover deals.

The Anbang proposal values Starwood at \$13.2 billion and comes as the Chinese giant has also agreed to buy a portfolio of 16 luxury hotel and resort properties from the Blackstone group for \$6.5 billion.

With the new Anbang offer, Starwood's board said in a statement that it "intends to terminate the Marriott merger agreement and enter into a definitive agreement with the

consortium."

The news pushed Starwood shares up 4.5 percent to \$79.91 in early trade. Shares of Marriott, which will earn a \$400 million fee for Starwood cancelling their deal, rose 2.0 percent to \$73.23. Anbang is privately controlled.

Anbang's partners in the deal include China-based Primavera Capital and US private equity investor JC Flowers & Co.

Anbang first pushed into the US hospitality industry in October 2014 by acquiring the famous Waldorf Astoria Hotel in Manhattan for nearly \$2 billion from Hilton Worldwide Holdings.

Chinese buyers storm world's largest amber fair

AFP, Gdansk, Poland

Chinese buyers have descended on the world's largest amber fair this week in the Polish Baltic port city of Gdansk, amid a boom that has seen the price of the fossilised tree resin spike tenfold in eight years.

Despite an economic slump in China, merchants say amber sales there are still booming due to its popularity as a good luck charm and health tonic.

"Chinese people think amber is good for their health. Many, many Chinese medicines have amber," Zhang Zhiping Zhang, a 30-year-

old Chinese merchant, told AFP as he looked for new merchandise at the fair.

According to fellow Chinese amber merchant Wang Hao, "amber is very much part of our culture and it is believed to bring good luck."

China recently surpassed the United States as the world's largest consumer of amber, of which there are more than 300 varieties.

"There's an amber craze in China, due to its great cultural, religious and medical significance," Ewa Rachon, head of Gdansk's Amber fair, told AFP.

This year the annual amber extrav-

aganza attracted nearly 500 sellers and over 6,000 visitors.

"Since 2008, prices have spiked tenfold," Rachon said.

According to Michal Kosior, deputy president of the Gdansk-based International Amber Association, one kilogram (2.2 pounds) of raw amber now sells for several thousand euros, depending on its colour and whether it contains inclusions like prehistoric insects or vegetation.

With a steady client base of around 1,000, Zhang says that while five years ago sunny yellow amber was all the rage, now tastes have changed and creamy white amber is more popular.



Anisur Rahman Sinha, chairman of Opex and Sinha Group, opens the 15th branch of Best Fried Chicken (BFC), a fast-food chain, in Mirpur 10, Dhaka yesterday. Nizamul Karim Chowdhury, executive director of BFC, was also present. BFC is a concern of the Opex and Sinha Group.

BFC



Syed Rafiqul Haq, deputy managing director of Mutual Trust Bank, and Mohammad Shah Newaz, director (sales and marketing) of Biman Bangladesh Airlines, pose during the signing ceremony of an agreement at the airline's corporate office in Dhaka. Cardholders of the bank will get 10 percent discounts on base fare for domestic and international flights of the national flag carrier.

Cisco to invest \$100m in India's digital push

REUTERS, New Delhi

Cisco Systems Inc will invest over \$100 million in India to support the country's ambitious plan to connect thousands of its villages to the internet and create jobs, Executive Chairman John Chambers said on Friday.

India's Prime Minister Narendra Modi has launched a series of initiatives under the 'Digital India,' 'Skill India,' and 'Startup India' schemes to connect millions of Indians to the Internet, create more tech jobs and move more services online.

Chambers said the company will work with federal and provincial governments in India to launch incubation centers for entrepreneurs and training students.

Australia toughens scrutiny on infrastructure sales to foreigners

AFP, Sydney

The sale of major Australian state-owned infrastructure to private foreign investors will face tougher scrutiny under new rules announced Friday, after a deal involving a Chinese company last year drew criticism.

The new rules will apply from March 31 and ensure that sales of critical infrastructure to private foreign investors will be subject to a formal review by Australia's foreign investment advisory body.

Under previous rules, the Foreign Investment Review Board (FIRB) was only required to assess the sale of such infrastructure to foreign state-owned enterprises.

The rules cover major assets such as airports, ports, public transport infrastructure, and electricity, gas, water and sewerage systems, while existing and proposed roads, railways, telecommunications infrastructure and nuclear facilities could also be reviewed by the body.

"While we welcome foreign investment in Australia it is imperative that critical infrastructure sales are scrutinised to ensure any potential national security risks can be addressed," Treasurer Scott Morrison said.

The new rules follow the granting in 2015 of a 99-year lease for the Port of Darwin to China's Landbridge Group.

United States President Barack Obama, whose Marines rotate through Darwin, reportedly chided Prime Minister Malcolm Turnbull over that deal, with the Australian Financial Review quoting him as saying: "Let us know next time."

Canberra defended the decision which had been made in consultation with Australia's Department of Defence, but a review of the rules followed.

"Foreign investment is an important source of capital to build the infrastructure that Australia needs and the government recognises that this investment can provide access to funds to restore and enhance ageing infrastructure networks and assets," Morrison said Friday.

"But the government recognises this investment should occur on our terms, must be appropriately scrutinised and not be contrary to the national interest."

Under pressure over the seemingly increasing foreign ownership of farmland, the government is already in the process of compiling a register of agricultural land owned by foreigners.

How Japan's first dressmaking school changed women's lives

AFP, Tokyo

Born out of a drive to make Western-style clothing accessible, Tokyo's Bunka Fashion College unleashed a sartorial and social revolution among Japanese women after it opened nearly a century ago.

And while its current 21-storey concrete structure in the heart of Tokyo's business district doesn't scream high-fashion, it is the place to be for anyone aspiring to work in Japan's design industry.

Dressed in head-turning outfits, Bunka students -- young, confident and largely female -- make no attempt to blend in with the hordes of suited salarymen marching to work. "We are used to standing out," said 21-year-old Erika Yoshino, towering over passers-by in six-inch platform shoes.

"If you spot someone fashionable around here you just know they are from Bunka," she told AFP at the end of a long night working on her final-year collection.

Japanese fashion is now associated with cutting-edge designers -- and Bunka graduates -- like Yohji Yamamoto and Kenzo Takada.

But when Isaburo Namiki founded the country's first dressmaking school in 1923 the traditional kimono still dominated women's wardrobes.

"Western-style clothing for women wasn't very easy to find and even when you could find dresses, they didn't necessarily fit Japanese bodies well," said Samuel Thomas, lecturer at Bunka Gakuen University, the graduate school associated with the college.

In the beginning, most applicants were looking for alternatives to the complicated, layered kimono and simply wanted to learn how to make clothes for themselves.

"Bunka offered these women a chance to access the modernity represented by western clothing," Thomas told AFP.

"The change in how the body was presented -- from being wrapped in layers in a kimono to the mobility offered by a dress -- allowed women to redefine themselves," he said. Buoyed by Bunka's success, dressmaking schools sprouted up across Japan.

"After the war ended, the number of women attending dressmaking schools drastically increased," said Izumi Miyachi, deputy managing editor of Yomiuri Shimbun newspaper, referring to World War II.

"Women who had lost their husbands believed that dressmaking skills would help them support themselves," said Miyachi, who has long covered fashion.

Among the students was Fumi Yamamoto, a young war widow and single mother who opened a dressmaking shop in Tokyo after graduating from Bunka.

By 1955, Japan was home to some 2,700 dressmaking schools, up from 400 just eight years earlier, according to Miyachi. With Western-style clothing no longer a novelty, Bunka students were eager to experiment and soon, another



A model displays a creation by Japanese designer Motohiro Tanji at his 2016 autumn/winter collection show during the Tokyo Fashion Week.

fashion revolution was on the way with a new generation eager to make the transition from dressmaker to designer.

Many of them were the children of dressmakers like Fumi Yamamoto's son, the renowned Yohji Yamamoto, and the Koshino sisters -- Hiroko, Junko and Michiko -- whose mother, Ayako, ran a tailoring studio outside Osaka.

"For every 100 female students, there were some five male students," Hiroko Koshino told AFP in the run-up to her latest showing at Tokyo fashion week. "Boys were quiet while girls played an active role," she added.

Koshino said that she saw the fashion world as the domain of women who believed in "the idea that women can design clothes for women."

After Kenzo Takada made his debut in New York in 1970, Hiroko Koshino followed up his success by becoming the first Japanese designer to show in Rome in 1978.

Junko Koshino debuted her collection in Paris the same year while youngest sibling Michiko's trendsetting label, Michiko London, became a hit on the clubbing circuit in 1980s Britain.

Decades later, the sisters and Hiroko's daughter, Yuma, all run their own labels, responsible for businesses that span the globe -- a rarity in Japan's male-dominated society.

Women still outnumber men significantly at Bunka, where anyone who can cope with a raft of deadlines and master a demanding curriculum -- often working on a single stitch for hours until it's deemed perfect -- leaves with a degree that opens doors across the competitive industry.

"The students are held to a tough standard regardless of whether they are male or female," said Thomas, the lecturer. "That said, there are a lot of women at Bunka and it tends to be an empowering experience for them."

The ability to thrive in a high-pressure environment helps explain why many of Bunka's 300,000 alumnae -- who have their pick of applicants -- hire interns from the same pool, effectively ensuring its dominance of Japanese fashion. "Everyone remembers what it's like to go through the Bunka process, how difficult it can be, so they tend to hire people with the Bunka seal of approval," Thomas said.