
UCB

**Muhammed Ali, managing director of United Commercial Bank, presides over a business review meeting of the bank, at the bank's Learning and Development Centre in Dhaka on Saturday. Mirza Mahmud Rafiqur Rahman and AE Abdul Muhaimen, additional managing directors, were also present.**

# AT&T eyes new media future with mega-deal for Time Warner

AFP, *New York*

AT&T on Saturday unveiled a mega-deal for Time Warner that would transform the telecom giant into a media-entertainment powerhouse positioned for a sector facing major technology changes.

The stock-and-cash deal is valued at \$108.7 billion including debt, and gives a value of \$84.5 billion to Time Warner -- a major name in the sector that includes the Warner Bros. studios in Hollywood and an array of TV assets such as HBO and CNN.

It would give the big US telecom firm "the world's best premium content with the networks to deliver it to every screen, however customers want it," a statement from the companies said.

"This is a perfect match of two companies with complementary strengths who can bring a fresh approach to how the media and communications industry works for customers, content creators, distributors and advertisers," said AT&T chairman and chief executive Randall Stephenson.

The tie-up, which could face tough antitrust scrutiny, makes AT&T a strong rival to Comcast, which owns Time Warner rival NBCUniversal, and aims to counter the growing threat from online services such as Netflix and Amazon.

It also positions AT&T against longtime telecom rival Verizon, which has acquired internet group AOL and is in the process of buying Yahoo, and against new delivery platforms expected from Google and others.

The tie-up includes the vast Time Warner film library, including the Harry Potter franchise, and TV operations that include HBO's popular "Game of Thrones," and would allow AT&T to deliver the content to its fiber TV subscribers and also through its newly acquired DirecTV satellite service and mobile devices. "Premium content always wins," Stephenson said.

"It has been true on the big screen, the TV screen and now it's proving true on the mobile screen. We'll have the world's best premium content with the networks to deliver it to every screen."

But the deal is likely to face tough scrutiny from antitrust regulators, and Republican presidential nominee Donald Trump said he would block it if elected.

Even before the announcement, US consumer groups called for regulators to consider the impact of the tie-up.

John Bergmayer of the consumer group Public Knowledge said the merger could open the door to "self-dealing and discrimination" by a powerful media and delivery group.

"DirecTV, for instance, might favor Time Warner content, crowding out or refusing to carry alternative and independent programming that viewers might prefer," he said.

# Indonesian nationalism takes a bite out of Apple

AFP, *Jakarta*

Apple is battling to gain a foothold in Indonesia after nationalistic regulations hit the US tech giant's efforts to compete in the booming emerging market against Samsung and other rivals.

The iPhone 6S and 7 are yet to be released in Southeast Asia's top economy as Apple struggles to fulfil requirements that phone makers must have 20 percent "local content" for 4G handsets sold in the country.

South Korea's Samsung has been able to meet the demands and gain a share of the market in Indonesia -- a country of 255 million people, with an army of young consumers -- more than 25 times bigger than Apple.

Officials say the regulations that came into force this year are aimed at supporting the growth of the local manufacturing industry, which lags behind its Asian peers, and plan to raise the local content requirement to 30 percent at the start of next year.

But to critics, it is just the latest example of misguided nationalistic rules that hamper rather than help business in Indonesia, which is ranked 109th on the World Bank's ease of doing business index.

The new rules "force companies to rethink the entire supply chain and that is expensive for them to do," Sudev Bangah of International Data Corporation (IDC), a consumer technology market research firm, told AFP.

Apple has encountered problems in other emerging markets, notably India where the Silicon Valley giant is facing roadblocks in its quest to open stores instead of selling products through third-party retailers.

The Indian government reportedly refused in May to exempt Apple from rules stating foreign single-brand retailers must buy at least 30 percent of their parts locally to open their own outlets.

In Indonesia meeting the local content rules has been easier for Samsung, as it already had factories in the country, and has added assembly lines to the plants to carry out the final stages of production. Other competitors, including Asus, Lenovo, Oppo and Blackberry -- which used to dominate in Indonesia but has seen its market share obliterated -- have also taken steps to fulfil the government's demands.

However officials admit that so far the rules are not boosting Indonesia's phone manufacturing industry as they had hoped. Firms have met the demands by getting local vendors to supply simple parts, such as boxes, manuals and chargers, and hi-tech components are still being imported.

But Apple, which makes most of its handsets in China, has not yet met the requirements. Its iPhone 6S was never released in Indonesia while the 7, currently being rolled out globally, seems unlikely to hit the country's shops any time soon.

Even before the new rules came into effect, things were not easy for Apple in Indonesia.

The iPhone 6 made it into the local market in early 2015, but it was the last country in the world where the model was released as the firm had a tough time getting import licences, according to a source close to the matter.

An Apple spokeswoman refused to comment when contacted by AFP. Still, government officials pushing the new scheme appear unfazed.

"With the local content requirement, we hope the component industry can grow," Dini Hanggandari, an official overseeing communications technology at the industry ministry, told AFP, adding that smartphone imports had in recent years contributed to Indonesia's negative trade balance.

Indonesia is attractive for phone makers and more than 30 million handsets are expected to be shipped to the country this year, according to IDC, but Apple's share of the smartphone market has been languishing at under one percent.


NCC BANK

**Golam Hafiz Ahmed, managing director of NCC Bank, and Morshedul Alam Chaklader, director and CEO of Total Air Services Ltd, general sales agent of Air Asia in Bangladesh, attend the signing of a deal at a programme. The credit cardholders of NCC Bank will get 10 percent discount and SmartPay EMI facility for up to six months at zero interest on air tickets of Air Asia.**

NATIONAL BANK

**Shah Syed Abdul Bari, deputy managing director of National Bank, attends the closing ceremony of a short course on "Security and documentation of bank credits", at the bank's training institute.**

# China's urbanites embrace sacrifice to ride property frenzy

REUTERS, *Beijing*

Lydia Su said her heart jumped when she first heard a property in Shanghai's tree-lined French Concession was on the market - even though it was no bigger than a bathroom - swept up in China's latest property frenzy.

The 13.7-square metre (147-square foot) apartment, the detached annex of a villa, was priced at 1.8 million yuan (\$267,169), which at about \$19,500 per square metre ranks it among the world's most expensive residential spaces.

Though Su eventually decided against the deal, she thought it was cheap. "This is 'small money' compared to many other properties in China," said the 27-year-old finance professional.

Looser government restrictions and easier credit last year have triggered a wave of speculative - and panic - buying. Official data shows Shanghai home prices are more than a third higher in September than a year earlier.

And homes in the French Concession are a cut above, with average prices exceeding 100,000 yuan per square metre, Su said.

Nationwide, new home prices were up 11.2 percent, the highest growth on record.

China's biggest cities - Shanghai, Beijing, Shenzhen - have led the rise, but the frenzy is also spilling over into smaller cities in central China.

The surge has helped sustain China's economic growth, which held steady at 6.7 percent in each of the first three quarters.

But when prices hit fever pitch at the end of summer, Chinese policymakers stepped in to warn about price bubbles and ballooning debts. In early October, 15 cities announced cooling measures, including higher down payment ratios on second homes.

At the end of September, outstanding mortgages to individuals had jumped by a third to 17.93 trillion yuan from a year ago, China's central bank said on Friday.

There are signs mortgages are crimping household spending, in an economy increasingly reliant on domestic consumption.

Analysts also warn that the bull market is bringing forward future demand, as people fear prices running away from them, which could lead to a destabilising loss of momentum in the coming months.

"Our research showed half of the people we surveyed have brought forward their plan to buy a house this year," said Wang Tao, chief China economist at UBS, citing a report that surveys around 3,000 people.

Concerns on sales momentum are also making real estate developers wary of starting new construction projects. New starts fell 19.4 percent in September, the first year-on-year decline since December.

The property sector contributed 8 percent to gross domestic product growth in the third quarter, according to NBS spokesman Sheng Laiyun, so any weakening could reverse that effect.

Shanghai was one of the earliest cities to announce restrictive measures in March. Rumours were rife that it would further restrict property purchases in September, which led to a jump in convenient divorces to allow couples to qualify to buy multiple houses.

In China's tech hub of Shenzhen, 33-year-old head hunter Julia Qu said she was considering faking a divorce to skirt the 70 percent down payment rule on what could be Qu and her husband's third flat, valued at 3 million yuan.

"Faking divorces in China is very easy. All you need to do is to get a document at the marriage registry. It's not a real divorce," she said.

Qu sold her second flat in early October, hoping to use the funds to cover the down payment. She said she wanted a bigger apartment for when she has children and her parents retire. She is still burdened with monthly mortgage repayments from her first apartment.

"The total mortgages we are paying are close to our income. What is left is only enough for our basic expenses," she said, noting that mortgage repayments commonly account for 80 percent of family income in Shenzhen. "So there's no more travelling, expensive restaurants or new clothes," she said.

Beijing native Zoe Zhang is in a similar boat, though she bought her apartment early last year before the spike. Her monthly salary of 7,000 yuan is mostly swallowed by the 5,600 yuan outgoings on her 1.2 million yuan mortgage.

# UK could slash corporation tax to 10pc if EU blocks Brexit trade deal

REUTERS, *London*

Britain could slash corporation tax to 10 percent if the European Union refuses to agree a post-Brexit free trade deal or blocks UK-based banks from accessing its market, the Sunday Times reported, citing an unidentified source.

The newspaper said the idea of halving the headline rate from 20 percent had been put forward by Prime Minister Theresa May's advisers amid growing fears other EU member states will take a hard line in Brexit negotiations.

The tax cut would be used to try and persuade the EU to grant "passporting" rights for financial services firms to continue operating across the EU, the newspaper said, in a sign of the likely animosity of the upcoming divorce talks.

At a Brussels summit last week EU leaders were clear they would not allow Britain to "cherry pick" things such as free access to the market for certain sectors without taking on the full responsibilities of EU membership.

"People say we have not got any cards," the newspaper quoted an unidentified source familiar with the British government's thinking as saying.

"We have some quite good cards we can play if they start getting difficult with us. If they're saying no passporting and high trade tariffs we can cut corporation tax to 10 percent," the newspaper quoted an anonymous source as saying," the source was quoted as saying.

Cutting corporation tax could attract companies away from the EU to Britain, boosting its economy and challenging Ireland's preeminence as Europe's low tax home for large international companies.

EU leaders have warned that if Britain places limits on the free movement people it will lose its preferential access to the single market, leaving London-based international banks worried they could lose their right to sell services across Europe.

Writing in the Observer newspaper, the chief executive of the British Bankers' Association said the uncertainty over Britain's future relationship with the EU meant most international banks were already looking at which operations they would need to move out of the UK.

"Their hands are quivering over the relocate button. Many smaller banks plan to start relocations before Christmas; bigger banks are expected to start in the first quarter of next year," Anthony Browne wrote.

Japanese carmaker Nissan, whose Chief Executive Carlos Ghosn met May this month to discuss his concerns over Brexit, on Sunday denied a story in the Telegraph newspaper that it had decided to make its new Qashqai model in Britain.

Nissan's CEO has warned he could scrap potential new investment in Britain's biggest car plant unless the government pledges compensation for any increased tax costs resulting from Brexit.

# Saudi Arabia looks to Russia to boost non-Opec cooperation

REUTERS, *Riyadh*

Saudi Arabia's Energy Minister Khalid al-Falih said on Sunday he had invited his Russian counterpart Alexander Novak to meet Gulf Arab energy ministers in Riyadh as part of efforts to cooperate with non-Opec members to stabilize the oil market.

"Russia is one of the world's biggest oil producers ... and is one of the influential parties in the stability of the oil market," Falih said at the opening session of the six-member Gulf Cooperation Council (GCC).

Falih said Novak had welcomed the invitation, "as a clear indication of sincere desire to continue cooperation and coordination with the oil producing and exporting countries for more stability in the market."

Novak had said on Friday he would take "some" proposals to the meeting in Riyadh.

Last month in Algiers, the Organisation of the Petroleum Exporting Countries agreed modest oil output cuts. The goal is to cut production to a range of 32.50-33.0 million barrels per day (bpd).