

Dollar hits 14-year high as Trump-fuelled bond sell-off resumes

REUTERS, London
The dollar hit a 14-year high against a basket of currencies on Wednesday as a post-US election sell-off resumed across global bond markets, lifting Treasury yields and attracting investors to the US currency.

That halted stocks in their tracks, with Europe's main indices down as much as 0.8 percent and Wall Street expected to open 0.5 percent lower.

The Bank for International Settlements this week repeated its view that a stronger dollar poses risks for global markets and financial stability. Investors have largely shrugged off these warnings but stocks felt the heat of the dollar's latest rise on Wednesday.

"I agree with the consensus interpretation of the key macro trades - higher yields and a stronger dollar - but I'm less persuaded by the expectation of higher global equities," Stephen Jen of hedge fund Eurizon SLJ Capital said on Wednesday.

"The world's interest rates have

been dragged higher by the US yield curve, creating the risk that interest rates may be too high for the still-fragile economies in Europe and emerging markets," he said.

US President-elect Trump's plans to cut taxes and boost infrastructure spending would boost economic activity while his proposals to deport illegal immigrants and impose tariffs on cheap imports are seen driving inflation higher.

That prospect has given rise to expectations that US interest rates will rise faster than previously anticipated, boosting the dollar.

The dollar index, a measure of its value against a basket of currencies, rose to 100.53 on Wednesday, its highest since April 2003.

The dollar rose 0.5 percent against the yen to a five-month high of 109.75 yen, rose to an eight-year high against the Chinese yuan of 6.8703 yuan and the euro fell below \$1.07 for the first time in a year.

"The narrative on the dollar is strong," said Simon Smith, chief

economist at FXPro.

"A move higher in interest rates next month is now a near dead cert, with the implied path for rates next year also moving higher and providing further support for the dollar."

Benchmark 10-year US Treasury yields rose 5 basis points to 2.29 percent, edging back up toward Monday's 11-month high of 2.302 percent and up from around 1.86 percent before the election.

US interest rate futures are pricing in around a 90 percent chance of a rate hike in December, compared to 75 percent before the election.

St. Louis Federal Reserve bank president James Bullard told a conference in London on Wednesday that it would need a surprise for the Federal Reserve not to raise rates next month.

The only reason to hold off would be the kind of big shocks that caused it to pull back in the past, such as widespread global market volatility or bad US jobs data, he said.



SIBL
Social Islami Bank's Managing Director Md Shafiqur Rahman attends a business review meeting with the heads of Comilla, Sylhet and Noakhali branches. Additional Managing Director Ehsanul Aziz was also present.

Opec pushes for consensus on oil cut, gaps narrowing

REUTERS, London/Doha

Opec officials are working to nail down details of their plan to limit oil supply and gaps over some sticking points are narrowing. Opec sources said, a sign of progress in finalizing the exporter group's first such deal since 2008.

Opec agreed in Algeria on Sept. 28 to limit supply with special conditions given to Libya, Nigeria and Iran, whose output has been hit by wars and sanctions. The details are meant to be finalised when Opec ministers meet in Vienna on Nov. 30.

With two weeks to go, differences persist over details and the prospect of a supply glut persisting in 2017 has weighed on oil prices, which are below \$47 a barrel. Crude reached a 2016 high near \$54 after the September deal.

Two sources familiar with discussions said efforts were under way to narrow gaps and a final agreement

would be reached.

"It is difficult at some points but I don't see any deadlock," one of the sources said. "What happened in Algeria gave a lot of hope and impetus and I think people are committed to that."

One issue has been the level of production at which Iran would be expected to freeze its output.

Sources say Iran wants an output cap of 4 million barrels per day, while other members of the Organisation of the Petroleum Exporting Countries want Iran to freeze supply at about 3.7 million bpd.

This issue, several Opec sources told Reuters, was a source of tension at an Oct. 28 meeting in Vienna of the High Level Committee, a panel looking at how to divide the Algeria agreement into individual supply limits.

Other Opec members are willing to be more flexible on this, two sources said. One of them said while meeting Iran's demand for 4 million bpd was unlikely, Tehran would probably be

offered a figure of 3.75 million bpd or higher.

"Whatever it takes to reach a consensus will be taken by the ministers," said a third Opec source familiar with discussions, referring to finding a compromise over Iran. "We cannot leave Vienna on November the 30th without an agreement."

The High Level Committee meets for a second time in Vienna on Monday, and a number of Opec ministers are likely to hold talks informally in Doha on Friday on the sidelines of a gas conference.

In a further effort to forge consensus, Opec Secretary-General Mohammed Barkindo is visiting more Opec members in the next few days. He is scheduled to meet Venezuelan President Nicolas Maduro later on Wednesday, and he then travels to Ecuador and Iran, a source said.

Barkindo said on Nov. 7 that Opec was committed to implementing the deal.



KONE
Abu Sayeed M Ahmed, president of the Institute of Architects Bangladesh; Faizur Rahman Khan, managing director of Building for Technologies and Ideas; Arman Haque, chairman of Innstar, and Faria Samreen Nizam, director for business development at Turner Grahams (Bangladesh) Ltd, pose at the three-day Global Lift & Escalator Expo, at International Convention City, Bashundhara in Dhaka yesterday.

Survey to gauge understanding of budget next year: Muhith

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The government has been formulating the budget keeping children's needs and rights in mind since fiscal 2015-16. In the first year, it gave allocations focused on children to five ministries.

Allocations focused on children account for 48.5 percent of total outlay at Tk 102,292 crore for seven ministries. These ministries are primary and mass education, education, health and family planning, social welfare, women and children's affairs, local government division and disaster management and relief for fiscal 2016-17, according to the booklet launched yesterday.

The allocation is 14.57 percent of total national budget at Tk 3.40 lakh crore.

Muhith said the national budget is not merely an accounting or statistical framework of income and expenditure.

"It is a compendium of overall national development policy and planning," he said, adding that the government has been incorporating these aspects into the budget for the last eight years to increase awareness and make budget framing participatory.

The level of awareness about the national budget was low before the year 2009, he said. "I believe awareness has increased a lot."

He said the number of people with an understanding of the budget is very low, considering the total population of the country. If more people start discussing it, the budget will improve and be beneficial for more people, he added.

Ahsan H Mansur, executive director of Policy Research Institute of Bangladesh, said

the level of awareness on the budget was found low in a survey conducted in 2009. There was a negative perception that the passage of the national budget caused the prices of commodities to go up, he added.

On a children-focused budget, he said the ratio of allocation focusing on children's development is low, even though they account for a bigger percentage of the total population.

"We have to change it. It will be difficult to become a mid-income country without human capital development."

Edouard Beigbider, Unicef's representative to Bangladesh, said it is now acknowledged that children hold the key to development. "No investment will be more effective and efficient than to invest in children to give them a good start in life."

Beigbider urged the government to increase the budgetary allocation on children-focused activities to 20 percent by 2021 from 14 percent at present.

Nasima Begum, secretary of the women and children's affairs ministry, said the government plans to form 4,880 clubs for adolescent boys and girls to create awareness among children on various issues, including prevention of early marriages.

The Finance Division said it will distribute the booklet among secondary educational institutions to empower adolescents to contribute more in raising their needs in a systemic manner.

It is expected that better understanding on the budget making process will improve the quality of education, basic health, and enhance the coverage of child responsive social protection.

GP refuses to pay Tk 30cr fine for broadband service

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The commission directed Grameenphone to pay the fine, and the mobile operator is not allowed to ask the BTRC to reconsider the decision, said a senior official of BTRC.

"Even after that, if Grameenphone thinks there is scope for discussion, they should have contacted us earlier, not on the last day of payment."

He said as per the rules, the mobile operator will have to pay an additional 15 percent late fee for missing the deadline.

The BTRC letter sent to Grameenphone on November 6 showed that the mobile operator signed an agreement with Sonali Bank on the basis of an approval provided to ADN Telecom and AGNI Systems.

But the approval to ADN Telecom and ASL was annulled before execution of the agreement between Grameenphone and Sonali Bank, according to the BTRC letter.

It also said mobile operators are allowed to build optical/wired backbone transmission networks, only if the nationwide telecom transmission network operators do not have that infrastructure.

Grameenphone built the optical/wired backbone transmission network, while providing services to Sonali Bank and violated the infrastructure sharing guidelines, according to BTRC.

In its letter on Wednesday, Grameenphone said that BTRC provided a provisional approval on December 2012 to ADN and ASL that allowed Grameenphone to provide coordinated services of GO Broadband.

After that, BTRC, following the request of ADN and ASL, twice approved the tariff of the said service.

Later on March 3, 2014, ADN and ASL sought tariff continuation, but BTRC never replied to that.

Grameenphone signed an agreement with Sonali Bank in December 2014 to provide internet services to 551 branches of the state-run bank.

WhatsApp suspends giving Facebook European user data

AFP, San Francisco

WhatsApp has temporarily suspended giving parent company Facebook information about users in Europe for ad targeting, responding to concerns there over privacy, a source close to the matter said Tuesday.

Conversations with officials in Europe over the past few months resulted in the social network deciding to only tapping into WhatsApp user data there for purposes such as fighting spam, according to the source.

The break was described as an effort to give regulators time to share privacy concerns and for Facebook to consider ways to address them.

German data protection authorities in September cited privacy concerns when they blocked Facebook from collecting subscriber data from WhatsApp there.

"It has to be (the users') decision whether they want to connect their account with Facebook," Hamburg's

Commissioner for Data Protection and Freedom of Information Johannes Caspar said at the time. "Facebook has to ask for their permission in advance."

WhatsApp announced in August that it would begin sharing data with Facebook, in a bid to allow better targeted advertising and to combat spam on the platform.

Users of the instant messenger were given the ability to opt out of sending information to Facebook through settings in WhatsApp's applications on smartphones.

European data protection group G29 formally expressed its concerns at the end of October.

The G29 sent letters asking Facebook and WhatsApp to stop sharing data until appropriate legal safeguards were in place.

The sharing of WhatsApp user information with Facebook went beyond what subscribers consented to in the original terms of service, the G29 reasoned.

Facebook bought WhatsApp about two years ago in a deal valued about \$19 billion.

Accord seeks to stay beyond 2018

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Babu called for merging the three inspection agencies - the Accord, Alliance and government initiative -- into one platform for better inspection of the factory buildings to strengthen workplace safety. Currently, all three agencies have been inspecting the factories separately.

After the Rana Plaza building collapse in April 2013, 200 European retailers and brands joined hands under the Accord on Fire and Building Safety in Bangladesh to upgrade compliance standards at factories.

Similarly, 28 North American retailers and brands formed the Alliance for the same purpose. On the other hand, the government, along with the International Labour Organisation, has taken a national initiative to inspect more than 2,000 factories, those which are not members of either the Accord or Alliance.

Babu demanded bringing changes to the provisions of the Accord, as many of the provisions go against the interests of apparel makers. "We want to be included in the Accord Steering

Committee." He said the Accord should include BGMEA, ILO and the Department of Inspection for Factories and Establishments under the labour and employment ministry in the steering committee.

The representative of H&M, in a separate meeting, urged the garment makers to improve labour standards and practise good governance so that Bangladesh qualifies for the GSP Plus status in the EU after 2021, when Bangladesh is scheduled to graduate to a developing country.

As a least developed country, Bangladesh enjoys a zero-duty benefit to the EU under its Everything but Arms scheme since 1971. But once it becomes a developing country, Bangladesh will no longer be eligible for the privilege. The GSP Plus scheme will then be applicable for Bangladesh, for which the country will have to fulfil some conditions.

Strengthening workplace safety, improved labour rights, saving the environment and reduction of corruption are some of the major conditions to receiving the GSP Plus status.

Robi, Airtel complete merger

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Robi has 2.32 crore active customers as of August, according to the Bangladesh Telecommunication Regulatory Commission's data.

The merged company will be known as Robi Axiata Limited and it will become the second largest operator in the country, both in terms of subscribers and revenues.

The combined entity will serve approximately 3.22 crore subscribers.

As of August, Grameenphone's total active connections stood at 5.45 crore and Banglalink's 2.9 crore, according to BTRC.

Both the parent companies of Robi and Airtel opened talks on a possible merger at the end of August 2015, and a deal was

signed on January 28 this year.

In the merged entity, Axiata, the parent company of Robi, will hold a 68.7 percent controlling stake.

Bharti Airtel will hold a 25 percent share in the company and Axiata's old partner NTT DOCOMO of Japan 6.3 percent. Currently, Malaysia-based Axiata had a 91.59 percent stake in Robi and NTT Docomo 8.41 percent.

Airtel entered Bangladesh in 2010 by acquiring a 70 percent stake in Warid Telecom. Later in 2013, it picked up the remaining 30 percent shares. Its licence expires in 2018.

Robi started operations in 1997 under the brand name of Aktel. The operator renewed its licence in 2011 after completing its first 15-year tenure.

Oil pipeline project to take off after 6-year delay

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Apart from waste of time and increase in cost, a lot of oil is systematically stolen during the process.

But if a pipeline is installed it will take just two days to empty a vessel carrying such a volume of oil. This would cut cost and stop pilferage, said the energy ministry official.

The pipeline will save the government Tk 1,000 crore a year, and the project cost would be recovered in five to six years, according to the energy ministry's estimate.

Jeddah-based Islamic Development Bank was initially supposed to finance the project but as the cost shot up it withdrew. Later, China expressed its interest to bankroll the project and nominated China Petroleum Pipeline Bureau for the job.

Bangladesh to see 72pc growth in e-commerce sales

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At present, the total online retail revenues in five markets -- China, India, Japan, Australia and South Korea -- in Asia Pacific surpass the combined figure for online retail in the US and all of

Western Europe.

Total online retail revenue from the growing Asia Pacific market will nearly double from \$733 billion in 2015 to \$1.4 trillion in 2020, as predicted by research and advisory firm Forrester.