



AJM Nasir Uddin, mayor of Chittagong City Corporation, poses with the Huawei GR5 2017 smartphone at its launch at Radisson Blu Chittagong Bay View in the port city on Friday.

# Huawei launches new handset in Bangladesh

STAR BUSINESS DESK

Huawei unveiled its advanced dual camera device Huawei GR5 2017 for the Bangladesh market on Friday. The device with a huge 3340mAh battery was launched at a programme at Radisson Blu Water Garden Dhaka Hotel. The leading smartphone manufacturer also launched the set for its users in the port city at Radisson Blu Chittagong Bay View on the same day. AJM Nasir Uddin, mayor of Chittagong City Corporation, attended the launch in Chittagong as the chief guest while Ziauddin Chowdhury, Huawei's director for device business, was also present. Like its predecessor Huawei GR5, the Huawei GR5 2017 offers features and technologies to rival even the most expensive handsets, the company said in a statement yesterday. The GR5 2017 has a price tag of Tk 21,900, according to the statement.

The smartphone is equipped with 12MP and 2MP rear cameras that work together to autofocus in just 0.3 seconds and help users take wide-angle shots unlike single lens cameras. The smartphone's 8MP front camera has a 78° wide-angle visual range and 4P lens array along with panoramic selfie to capture images by keeping the users at the centre of the front camera, the company said. The front camera of the mobile phone also offers 1080p video recording, according to the statement. The Huawei GR5 2017 relies on the updated HiSilicon Kirin 655 Octa-Core processor, which is coupled with Huawei's intelligent power-saving technology that ensures 1.5-day of productivity on a single charge. The new generation Fingerprint 3.0 technology with 360-degree readability lets users unlock the GR5 2017 in just 0.3 seconds. The device also features a 5.5-inch high-definition screen in a metallic unibody frame.

"The Huawei GR5 2017 follows the overwhelming customer demand for powerful budget smartphones which offers productivity, entertainment and superb photography experience," said Ingmar Wang, director for device business at Huawei Technologies (Bangladesh) Ltd. "The device has the features of high-end smartphones and the price is kept at a reasonable level to allow customers to fully unleash the potential of smartphones and digitise their lives." It signifies our commitment towards the Bangladeshi market, which is a very important market for us," Wang said. Pre-booking for the smartphone began on December 1 and will continue till December 15. During pre-booking period, the customers will also get some attractive gifts such as business backpack, selfie stick and a 32GB SD card. Customers will also be able to enjoy a 6-month equal monthly installment facility during the purchase of the set, the company said.

## Cash crunch to ease by year end; no GST delay: Jaitley

REUTERS, New Delhi

INDIAN Finance Minister Arun Jaitley said on Friday that a cash crunch following the scrapping of high-value banknotes would ease by Dec 30 with the release of new 500 and 2,000 rupee notes. Jaitley, however, said that the amount of new banknotes being released would not be the same as that circulating before Nov 8, when Prime Minister Narendra Modi announced the so-called demonetisation to purge the economy of illicit "black money". Modi, at a stroke, removed from circulation banknotes worth an estimated 17 trillion rupees (\$249 billion). Finance ministry sources say they plan to reissue just over half of this - a task that would take months given the capacity of India's four banknote printing presses. Modi set a 50-day deadline that runs to Dec. 30 for people to swap or deposit their old banknotes. He has promised the situation would stabilise by then and urged Indians to adopt cashless payment forms such as debit cards and mobile wallets. "Obviously, one of the advantages of this exercise is going to be that you won't have the same level of paper currency which existed," Jaitley told the Hindustan Times Leadership Summit. Officials expect some illicit cash never

to be returned and to expire worthless, while other money that is deposited will remain in the banking system. The government's goal is to encourage the use of cashless forms of payment, a challenge for most Indians who live and work in the informal economy. The dislocation resulting from the cash swap has been huge - workers seeking to collect their monthly pay have been turned away as banks ran out of cash, while car makers have reported a steep downturn in their November sales. "It does create a disruption," said Jaitley. "But I don't see the disruption lasting for very long. You may see some impact for a quarter or so." Jaitley also repudiated a call by the left-wing government of India's state of West Bengal to delay a planned Goods and Services Tax (GST) to avoid inflicting another economic shock in the wake of demonetisation. He said the plan was still to launch the new tax on April 1. Time was tight because, under a constitutional amendment that enabled the GST, India's old system of indirect taxation would lapse next September. "If on Sept 16, 2017, there's no GST, then there's no taxation," he said. "Our intention is to make sure it gets implemented from April 1, 2017."



People queue outside a bank to withdraw cash and deposit their old high denomination banknotes in Kolkata, India.

## Venezuela plans to issue bigger notes very soon as inflation surges



Retirees line up to withdraw money from a bank in Caracas, Venezuela.

REUTERS, Caracas

PRESIDENT Nicolas Maduro said on Friday Venezuela would issue higher denomination bills "very soon" as soaring inflation and a crumbling currency leave the crisis-stricken country's largest note worth just 2 US cents on the black market. Still, the long-awaited entry of 500 and 5,000 bolivar notes will only bring a brief respite amid rapid money printing and a weakening currency. Today 5,000 bolivars buy just over \$1 on the black market, which exists because Venezuela introduced currency controls in 2003 but does not offer enough dollars to meet demand. Venezuela is believed to have the world's highest inflation, although no data has been published for 2016. Money supply rose 12 percent in the last two weeks while the bolivar weakened 65 percent in the last month. As a result, Venezuelans often carry backpacks full of bills and cash machines frequently run dry due to long queues. "Several million bills of 500 bolivars and then several million bills of 5,000 bolivars will enter circulation very soon," Maduro said in a televised address, noting that the central bank would provide details on Sunday and Monday.

Adding to the currency chaos, Venezuela's credit card readers, already shaky, suffered chronic malfunctions on Friday. Unable to process transactions, stores had to ask clients to use cash, transfers, or pay later. Maduro blamed a "cyber attack" and said he was sending the Sebin intelligence service to Credicard, a payment processor, to take "all legal actions." "Today we suffered an international cyber attack on our base platform, the internet's technological platform," Maduro said at an event with community groups in charge of food distribution. "We've already detected where the attack came from. It affected the entire capacity for internet exchanges to...provoke a state of collapse and desperation." Maduro's critics say he is seeking scapegoats for 17 years of inept Socialist rule and a corrupt, inefficient state-led economy. Lack of investment, price-fixing that hurts companies, and theft at installations have led to a sharp deterioration of the telecommunications industry. "It's not the fault of cash machines or the internet, it's this model that has brought us to misery," tweeted opposition lawmaker Armando Armas. Credicard tweeted late on Friday night that card readers were working again, without specifying what the problem had been.

## S Africa dodges junk credit rating despite low growth

AFP, Johannesburg

South Africa's economy evaded a potentially damaging blow Friday when the Standard & Poor's rating agency maintained the country's foreign currency debt status one notch above junk status. S&P however kept its negative outlook for South Africa, which has struggled with political friction under President Jacob Zuma, high unemployment and slow growth. "Political events have distracted from growth-enhancing reforms, while low GDP growth continues to affect South Africa's economic and fiscal performance," S&P warned. "The negative outlook reflects the potentially adverse consequences of persistently low GDP growth." But the agency lowered South Africa's local currency rating to two notches above junk in a further sign of concern over the country's economic prospects. The Fitch ratings firm last week kept South Africa one notch above junk, but dropped its outlook from stable to negative. Also last week, Moody's kept South Africa unchanged two notches above junk status. The treasury welcomed S&P's announcement, saying it "was as a result of working together as South Africans to ensure that the country remains an investment grade." "The work remains, but together, we will continue to work hard to build a foundation for faster growth."

## Trump's dilemma: slower job growth or rising rates and inflation?

REUTERS, Washington

A drop in the US unemployment rate last month to a 9-year low signals the risk of a collision between President-elect Donald Trump's plans to goose the economy and the Federal Reserve's efforts to tap the brakes with higher interest rates. Since Trump's election, officials at the US central bank have cautiously introduced the possibility that his spending and tax cut plans could prompt a faster pace of rate increases than the two hikes currently foreseen in 2017. An increase is already expected when the Fed meets in two weeks. Fresh economic projections, the first since the election, will also be issued and Fed Chair Janet Yellen will hold a news conference when the meeting concludes on Dec. 14. With November's decline, the jobless rate is now already below the most optimistic projections from Fed policymakers for where it would stand at year end. If it keeps moving lower, Trump's spending and tax cut plans may be

adding fuel to a tank that's already brimming. Possible new trade or immigration restrictions could make markets even tighter, and switch the Fed from worrying about the risk of deflation to fighting price rises before they get out of hand. "There is much more than the Trump election driving the ... rally that started the day after the election," Bank of the West chief economist Scott Anderson wrote. "We are seeing signs of a synchronized rebound in the global economy." When Fed policymakers issued their last projections in September, the lowest level predicted for the unemployment rate at the end of the year was 4.7 percent. In November, it fell three-tenths of a percentage point to 4.6 percent. The decline was partly due to a drop in the labour force participation rate, which officials have expected to begin falling again because of an aging population with more retirees. In general, the lower the unemployment rate, the slower the pace of job growth the economy can sustain without pushing up wages and prices too quickly.

Policymakers insist they still have time to move rates higher to keep price increases under control. Several officials feel it may even help fix some of the damage from the 2007-2009 recession if inflation moved above the Fed's 2 percent target for a while. That might, for example, allow steady wage increases to restore some of the ground lost by workers. However, in recent months even ostensibly dovish officials, like Boston Fed President Eric Rosengren, have cautioned that steady rate hikes might be needed to avoid the need for even faster increases that could trigger a recession. "I view a small step up in interest rates as appropriate, not because I want to curtail the expansion, but because I believe it will help prolong the expansion," Cleveland Federal Reserve Bank President Loretta Mester said on Wednesday. Trump's victory gives that debate more urgency. His plans for a big infrastructure spending package, tax cuts and tighter controls on immigration could test the limits of what the economy can absorb before overheating.



Anti-Trump protesters hold banners during a demonstration at Puerta del Sol Square in Spain on Friday.

REUTERS