



TRANSKOM BEVERAGES

Chairman of Transcom Beverages Latifur Rahman, Directors Shahnaz Rahman, Atiqur Rahman and Simeen Hossain, Managing Director and Chief Executive Officer Golam Quddus Chowdhury and Deputy Managing Director Khurshid Irfan Chowdhury pose with the top performing officials of the company at its annual conference for 2017, at Le Meridien hotel in the capital on January 7.

## Transcom Beverages awards top performers

STAR BUSINESS DESK

Transcom Beverages awarded the company's top performers of 2016 at its annual conference for 2017.

The company also reviewed its business activities of last year and set strategies for the current year, at the event held at the Le Meridien hotel in Dhaka on January 7, Transcom Beverages said in a statement.

The company's Customer Executive Rezaul Karim was awarded as the "CE of the Year", Territory Development Manager Sohel Rana received the "TDM of the Year" award, while Marketing Manager Md Arif Hossain won the "Award of Excellence".

Chairman of Transcom Beverages Latifur Rahman, Directors Shahnaz Rahman, Atiqur Rahman and Simeen Hossain, Managing Director Golam Quddus Chowdhury and Deputy Managing Director Khurshid Irfan Chowdhury attended the event.

The programme started by paying tributes to late Faraaz Ayaaz Hossain, according to the statement.

Transcom Beverages, a unit of Transcom Group, is the only franchise of PepsiCo in Bangladesh. The popular brands of this group include Pepsi, 7Up, 7Up Light, Mirinda, Mountain Dew, Pepsi Diet, Slice and Aquafina.

Transcom Chairman Latifur Rahman urged everyone to work together to achieve more success.

Transcom Beverages has been the leader in the carbonated soft drink industry for the last few years.

The company has won the "Bottler of the year" title in the India region for six times along with the award for the best plant in the entire region.

Transcom Beverages has also won the title of "International Bottler of the Year" in 2009, the most prestigious award from PepsiCo. 7Up, a brand of PepsiCo, has been awarded as the best beverages brand for seven times in a row by Bangladesh Brand Forum.

# Ma's million jobs pledge more PR than promise: analysts

AFP, Beijing

LIBABA founder Jack Ma and Donald Trump made headlines with the Chinese entrepreneur's attention-grabbing pledge to create one million US jobs, but analysts say the move is more about good PR than substance.

The splashy promise at Trump Tower was a strategic decision by Ma to win goodwill from the next US president and hedge against political risks to Alibaba's vast online shopping business over counterfeiters, independent e-commerce analyst Li Chengdong told AFP.

"We don't have to take the one million job promise too seriously," Li said.

In the short term, economists are sceptical. Such a figure would represent almost one percent of all jobs in the United States, making the firm one of the country's largest private employers, said Christopher Balding, professor at Peking University's HSBC Business School.

China's largest online shopping portal has been on the defensive since the office of the US Trade Representative last month put its massive electronic sales platform Taobao on its annual blacklist, saying it was not doing enough to curb sales of fake and pirated goods.

Although inclusion on the blacklist carries no penalties in itself, it dealt a blow to Alibaba's efforts to improve its image and boost international sales.

"This (pledge) is more made to relieve

its PR pressure, so Alibaba won't become a target of attack after Trump takes office," Li added. "As Alibaba's counterfeits problem is indeed quite serious, it is an easy target."

This month Alibaba filed a lawsuit in China against two vendors for allegedly selling fake Swarovski watches on Taobao, portraying the move as the first time an e-commerce site had taken a counterfeiter to court in the world's second-largest economy.

"Jack Ma is a smart guy and if there is anything being a major businessman in China teaches you it is the importance of having good relationships with the leaders," Balding added.

Alibaba and Taobao have long been accused of providing a platform for the sale of knockoff brand-name goods.

Items for sale include a variety of Trump-related products, including "Make America Great Again" hats that sell for \$25 on Trump's website -- available for 3.5 yuan (50 cents) Wednesday.

Analysts say Alibaba wants to enhance its imports of US merchandise for Chinese consumers.

"It is not necessarily to create more jobs in the US, it is simply providing one more sales channel for them," Nell Lu, analyst with Shanghai's Business Connect China consulting firm, told AFP.

Scandals over food safety and milk powder have eroded Chinese shoppers' confidence in domestic goods, fuelling lively informal grey markets in food,



AFP

Right, Jack Ma, founder and executive chairman of Alibaba Group, and Donald Trump, US president-elect, speak to the media after their meeting at Trump Tower on January 9.

vitamins, and medicines from all over the world.

While dominant in its home market, and making forays into Russia and Southeast Asia, Alibaba's efforts in the US have so far failed to find the same success.

Its business model as a platform offers US consumers no extra benefits, Li said, and it faces dominant local competitors such as Amazon and eBay.

Even so, Ma wants half of Alibaba's revenue to be international within 10 years.

The firm's Ant Financial affiliate, which operates digital payments service Alipay, and Tmall International are likely to be its "primary vehicles" for gaining a US foothold, Jeffrey Towson, professor at the Peking University Guanghua School of Management, told AFP.

## India inflation seen cooling in Dec as cash crunch hit demand



REUTERS/FILE

A vendor sells groceries to a customer at his roadside shop in New Delhi, India.

REUTERS, Bengaluru

INFLATION in India is expected to have cooled to a two-year low in December as the government's surprise currency crackdown rattled the economy and severely hurt consumption, a Reuters poll found.

Retail inflation likely eased to 3.57 percent from a year earlier, from 3.63 percent in November, the poll of over 30 economists showed.

That would be the lowest since November 2014, and well below the Reserve Bank of India's near-term target of 5 percent by March 2017.

Prime Minister Narendra Modi's decision on Nov. 8 to outlaw high-value bank notes, aimed at curbing corruption and tax evasion, has forced the nation's 1.2 billion people to scramble to exchange old notes for new and left many companies' cash-reliant supply chains in tatters.

The government insists the impact from the move will be short-lived, but many private economists are trimming their GDP forecasts, reckoning it will linger for

one more year.

"We expect headline CPI inflation to fall, primarily due to a significant sequential fall in the prices of several food items and many other perishables on account of the cash crunch created by demonetization," said Rupa Rege Nitsure, group chief economist at L&T Financial Services in Mumbai.

India's central bank unexpectedly left its repo rate unchanged at 6.25 percent last month, saying the blow from the cash squeeze may be transitory and expressing concern over the rising risk of inflation from higher global oil prices.

If inflation remains below the near-term target, it will give the central bank room to make a rate cut at its next meeting on Feb. 8.

Industrial output likely accelerated 1.3 percent in November from a year ago, after falling 1.9 percent in October, the poll also forecast.

"The impact of the demonetization drive will be better reflected in weak December readings," wrote Radhika Rao, economist at DBS Bank, in a note.

## Canada keen to boost ties, seal trade pact with India

REUTERS, Gandhinagar, India

Canada is keen to boost its business ties with India and is moving forward with attempts to seal a trade pact with the South Asian country, Canada's minister of infrastructure and communities told Reuters.

"There is an emphasis on signing a trade agreement with India," Amarjeet Sohi said in an interview on Tuesday. "The process was begun in 2014 and we are putting great emphasis on moving the discussions forward."

Sohi, speaking on the sidelines of Vibrant Gujarat - a big biennial investor gathering in the western state of Gujarat that is home to India's Prime Minister Narendra Modi, said that two-way annual trade between the countries currently stood at C\$8.3 billion (\$6.3 billion) in 2015 and is set to grow steadily.

Trade flow with India has grown 30 percent from 2014 levels, but the size of bilateral trade between the nations is relatively small, at about one-tenth the size of Canada's annual trade flow with China, according to Statistics Canada data.

"India is absolutely critical for Canada to engage with, as it is not only a growing economy, but a major regional player."

## Uncertainty over Trump policy clouds global outlook: World Bank

AFP, Washington

THE World Bank on Tuesday pared back its global growth estimate for 2017, but uncertainty about the economic policies of US President-elect Donald Trump is clouding the outlook.

"We need to pay attention. All eyes are on US policymakers and how they will formulate their policies," Ayhan Kose, main author of the World Bank's global forecast, told AFP in an interview.

"What happens in the United States does not stay in the United States."

In the semi-annual Global Economic Prospects report, the World Bank lowered the estimate for global growth this year a tenth from the June forecast, to 2.7 percent compared to the 2.3 percent growth seen last year.

The World Bank maintained its US forecast at 2.2 percent following a sluggish 1.6 percent in 2016.

But those estimates could go much higher.

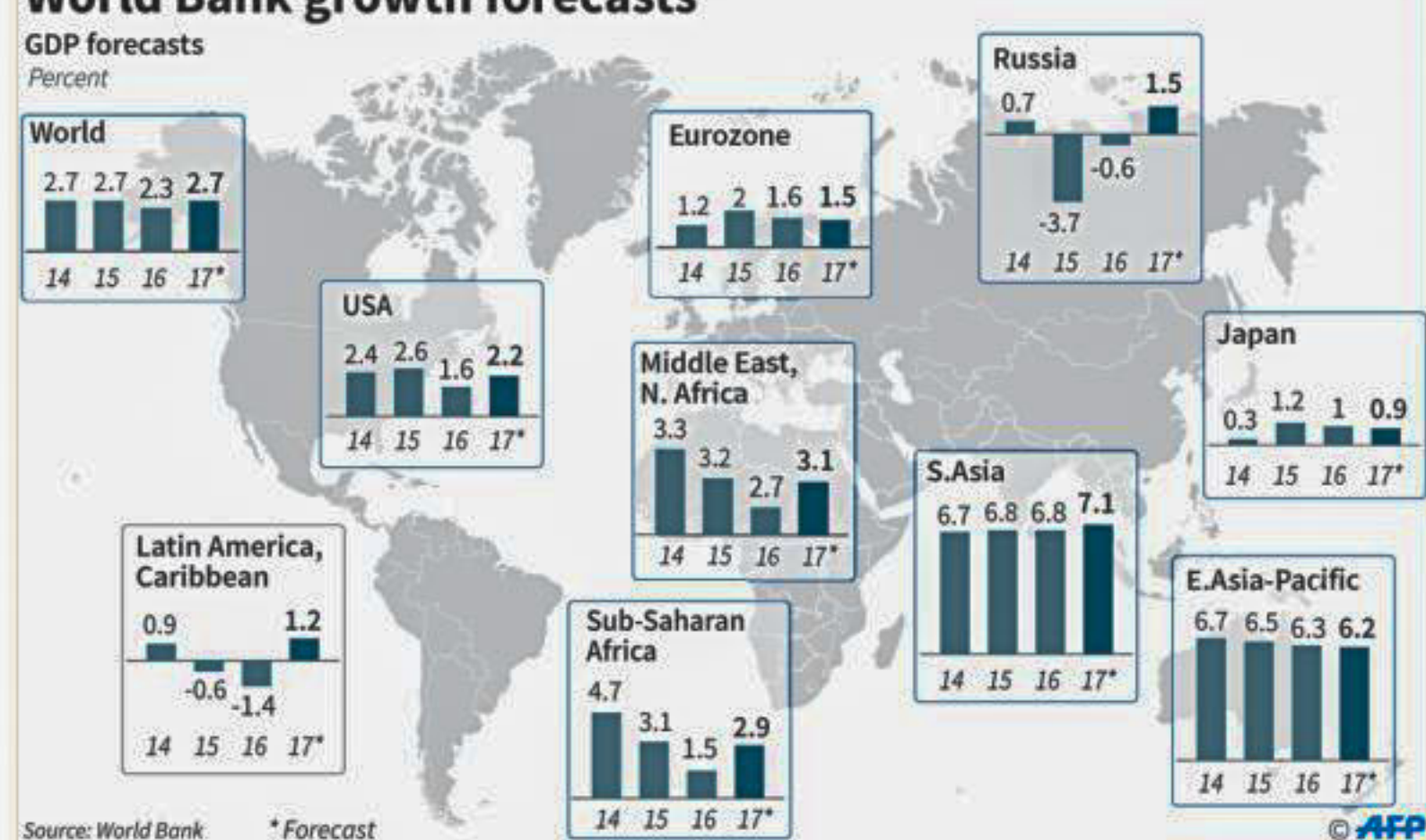
Even the table in the report displaying the forecasts for the major regions and economies comes with a footnote warning about the uncertainty: "The US forecasts do not incorporate the effect of policy proposals by the new US administration, as their overall scope and ultimate form are still uncertain."

Kose said it is simply too soon to draw any conclusions, however a simulation showed the individual and corporate tax cuts that Trump discussed during the campaign could on their own add three-tenths to the US growth rate this year, and more than double that in 2018.

And infrastructure spending could have an even larger impact.

"These are significant increases," he said.

### World Bank growth forecasts



"A healthy US economy is good for the rest of the world," since an increase in US growth of one full percentage point could boost advanced economies by eight-tenths after a year, and emerging markets by six-tenths.

So global growth potentially could rise another tenth this year to 2.8 percent, and get a three-tenths boost in 2018, he said.

However, he was quick to stress the caveats to this estimated impact: It will depend on the timing of the tax cuts, how they impact inflation, and how the Federal Reserve reacts.

The same is true for other proposals like big spending on infrastructure, which would have a more direct impact on growth, but could exacerbate an already tight labor market, which also could fuel inflation.

The US central bank has cautioned that spending that fuels inflation could require more and faster increases in the benchmark lending rate.

Higher interest rates in turn would tend to slow economic growth. Kose said the rising threat of protectionism in advanced economies also remains a concern, and

that uncertainty "is a challenge to businesses in the US and abroad."

But again he said, it is too early to tell what the impact on global growth will be until the specifics are known -- for example, whether US tariff increases Trump has threatened are limited to one product, like automobiles, or extend to an entire country.

"One thing we know well, open trade policies help promote economic growth," Kose said, in the closest he came in the interview to a word of caution to the new administration.

After a pretty bad year in 2016, Kose said the world economy is poised for a recovery, especially with major commodity exporters returning to growth after recessions, including Russia, Brazil and Argentina.

The euro area is expected to grow 1.5 percent this year -- the same as in the June forecast -- and 1.4 percent in 2018, after 1.6 percent GDP last year.

Japan's growth is forecast at 0.9 percent and 0.8 percent for 2017 and 2018, which is a half-point better than the June estimate.