



RANGS MOTORS

Sohana Rouf Chowdhury, managing director of Rangs Motors Ltd, and Sanjeev Mahajan, vice president for international business at VE Commercial Vehicles (VECV) Ltd, attend a programme at Indo-Bangla Automotive Show where VECV India showcased its new generation Eicher Pro series vehicles. The distributorship of Eicher vehicles in Bangladesh is managed by Rangs Motors—a part of Rangs Group—and Runner Motors, a concern of Runner group.

Lithuania builds 'dream' Tesla factory with Minecraft

AFP, Vilnius

Lithuanian entrepreneurs eager to woo Tesla Motors to their shores have built an entire factory to impress the electric carmaker... inside the Minecraft video game.

Responding to a plan announced last year by Tesla CEO Elon Musk to build a second factory in Europe, 40 gamers used the popular online building game to construct a virtual replica -- in just 35 hours -- of the company's battery production plant.

But this time, instead of the original site in the US state of Nevada, the plant was located in the Baltic EU state.

The gamers then posted a 2:28-minute video on YouTube, showing off their model, which is complete with solar energy panels and electricity generators.

"Welcome to the dream," reads a caption seen in the 3D video as the viewer is shown through the virtual plant.

It appears the gamers knew how to appeal to the tech geeks at Tesla, which tweeted on Saturday: "Lithuania knows the

way to our heart".

Lithuanian entrepreneur Vidas Lasas, who was behind the initiative, said his nation of three million faces tough competition from at least 10 European countries.

"We have teams to build a virtual factory in less than a week. And we could have real teams working in real factories within a couple of years," he told AFP on Saturday.

Lasas said the new "gigafactory" would provide a significant boost to the Lithuanian economy, and could help curb emigration by young people to richer Western EU states.

Tesla has another plant in the Netherlands.

Lithuanian Economy Minister Mindaugas Sinkevicius hailed the initiative and said "it was only the beginning in the effort to have Tesla in Lithuania".

"This non-governmental initiative proves that our IT specialists are not only talented but also inventive enough to surprise the world," he said.

Iran extends oil tender deadline, urges BP to bid

AFP, Tehran

Iran has extended a deadline for bids on oil and gas projects, urging Britain's BP to join major international companies that have already applied, local media reported Saturday.

The bidding round for exploration and production licences comes as it seeks to revive the sector, hard-hit by international sanctions that were lifted last year.

National Iranian Oil Company head Ali Kardor said the deadline for bids had been pushed back to February 15, ISNA news agency reported Saturday.

He said the original late January deadline had been extended

because "information from some companies was not complete".

He said British Petroleum had still not submitted a bid. "We are interested to see more companies on the list," Kardor said. "BP has not sent its information to us."

"Although we said this is an official process and you need to enter your information, they haven't done it," he added.

The new licensing round comes a year since a deal between Iran and world powers came into force, lifting international sanctions against Tehran in return for limits on its nuclear programme.

Iran is keen to access new technology to boost its production from fields it shares with its Gulf

neighbours. In early January, it published a list of 29 companies it would allow to bid.

It said it had received bids from Anglo-Dutch giant Shell, Italy's ENI, France's Total, Russia's Gazprom and Lukoil, and Schlumberger of the Netherlands.

Asian giants including China's CNPC and Sinopec International, the Japanese Mitsubishi Corporation and Japan Petroleum Exploration also put in bids along with companies from Malaysia and South Korea.

Oil-rich Iran has increased production to 3.9 million barrels per day from 2.6 million bpd before President Hassan Rouhani took office in 2013.

It has also earned more than \$2

billion (1.9 billion euros) from gas sales since sanctions were lifted, Kardor said.

The country has already signed a flurry of deals with international companies.

In November, French oil and gas giant Total signed a preliminary agreement for a \$4.8-billion (4.3-billion-euro) project to develop an offshore gas field at South Pars, which Iran shares with Qatar.

In December, Tehran signed a memorandum of understanding with Russia's Gazprom on the development of two major oilfields.

Also in December, it signed three preliminary deals with Shell to examine developing major oil and gas fields.

Euro exchange rate is too weak for Germany: minister

REUTERS

The euro's exchange rate is too low for Germany and the European Central Bank's expansive monetary policy has boosted the German economy's export surplus, Finance Minister Wolfgang Schaeuble said in a newspaper interview.

Schaeuble made the comments after U.S. President Donald Trump's top trade adviser said earlier this week that Germany was using a "grossly undervalued" euro to gain advantage over the United States and its European partners.

"The ECB must make policy that works

for Europe as a whole," Schaeuble said in a pre-released interview for Sunday's edition of Germany's Tagesspiegel. "It is too loose for Germany."

"The euro exchange rate is, strictly speaking, too low for the German economy's competitive position," he said. "When ECB chief Mario Draghi embarked on the expansive monetary policy, I told him he would drive up Germany's export surplus."

"I promised then not to publicly criticise this (policy) course. But then I don't want to be criticised for the consequences of this policy," Schaeuble said.



REGENT AIRWAYS

Chairman of Civil Aviation Authority of Bangladesh Air Vice-Marshal Ehsanul Gani Chowdhury, Chairman of HAZRA Group Yakub Ali, Managing Director of Regent Airways Mashruf Habib and CEO M Fazle Akber attend a programme at Hazrat Shahjalal International Airport in Dhaka on Sunday when Regent added a Boeing 737-800 aircraft to its fleet.

Nice start to the year for global economy: analysts

REUTERS, London

The world economy has begun the year in fine form. America is cruising along, China is growing faster than expected, Britain is mulling the Brexit downdraft. Even the usually lagging euro zone is perky.

Pity about what lies ahead. Almost every major economy's data releases these days seem to follow a similar pattern.

First, they are generally positive - either better than previously or only a little weaker. Then, policymakers and economists come out and say there are too many uncertainties ahead to know whether it will continue or crumble.

"Geopolitical risks are mounting and increasingly catching market attention in such fashion as to risk overshadowing most other developments," Canada's Scotiabank told its clients.

The risks are primarily political. How will US President Donald Trump's "America First" protectionist talk translate into policy? Will Brexit finally come back to bite Britain by cutting off commercial growth and breeding inflation.

For the euro zone, meanwhile, the risks are existential. Elections in France, Italy, Germany and the

Netherlands could result in anti-euro political parties gaining significant ground or even taking office. And Greece's hold on its place in the currency union remains flimsy.

In the past week the extra money investors demand to buy French bonds rather than German ones jumped - much of it because of a comment to Reuters by an official of the far-right National Front that it would put leaving the euro at the heart of its economic platform.

Polls suggest National Front candidate Marine Le Pen will not win the presidency - but after the Trump and Brexit surprises last year nothing can be ruled out.

Other risks are more Keynesian, revolving around whether years of stimulus from central banks in the form of asset-buying and negligible interest rates are finally producing inflation, which in turn will stop consumers from buying, slowing economic growth.

Economics can be very much a game of whack-a-mole.

The coming week may well be dominated by China, which returns from a holiday with a large slate of data, including the services purchasing managers index, foreign reserves data and possibly trade figures.

China grew a faster-than-expected 6.8 percent in the fourth quarter, boosted by higher government spending and record bank lending.

But the economy still faces headwinds from a cooling housing market and possible protectionist measures from the United States.

The foreign exchange reserves, meanwhile, are on the verge of falling below \$3 trillion, although the pace of declines could be slowed by capital controls and the dollar's retreat.

China is being cautious. It raised a number of policy rates on Friday against what Deutsche Bank described as a dilemma.

"Policy needs to be tightened for financial stability considerations, but (the central bank) wants to control the pace and magnitude so that ... the tightening does not trigger disruptive adjustments (bubble burst), and ... does not jeopardise the stabilising growth outlook," it said.

In the euro zone, there will be German, French, Spanish and Italian industrial production data. All are expected to show growth.

Germany's volatile factory orders may be under particular scrutiny. They fell 2.5 percent month-on-month in November, a plunge from a 5 percent rise the month before.

Dollar's sudden weakness could help US profit picture

REUTERS, New York

Stock investors could have at least one less worry in the next earnings period: the suddenly limp US dollar.

The greenback, whose strong rally after the Nov 8 US election hit profits at many US multinationals in the fourth quarter, has had a sharp reversal since the start of the year.

Coupled with comments suggesting that the Trump administration favors a weaker currency, that could shift the picture for the current quarter.

Fourth-quarter results, even with the dollar's drag, are mostly beating Wall Street's expectations and helping provide a buffer to some of the uncertainties facing investors, including the new US president's policies. The S&P 500 ended with a slight gain for the week.

With earnings in from more than half the S&P 500 companies, year-over-year profit growth for the fourth quarter is now estimated at 8.0 percent, up from 6.1 percent forecast at the start of January, and on track to be the strongest since the third quarter of 2014, according to Thomson Reuters data. Analysts expect first-quarter earnings to rise 11.5 percent.

That "sets the stage for a stronger Q1, particularly when you look at the jobs numbers coming out and when

you look at the business confidence surveys and consumer confidence surveys. There's a lot of improving sentiment," said Brad McMillan, chief investment officer for Commonwealth Financial in Waltham, Massachusetts.

US nonfarm payrolls had the largest increase in four months in January.

"Even as the companies are talking their expectations down, consumers and businesses are likely to act on that better sentiment."

The dollar index on Jan 31 posted its worst start to a year in three decades, putting in a decline of 2.6 percent for January after gaining 7.1 percent in the last quarter of 2016.

Comments this week by President Donald Trump and a top economics adviser suggested to some that the administration is prepared to jettison two decades of "strong dollar" policies advocated by predecessors.

A strong dollar is a worry for equity investors because it makes US multinationals' foreign currency earnings worth less in dollars. Nearly half of S&P 500 sales come from overseas, according to S&P-Dow Jones Indices.

Executives from a slew of US companies cited the strong dollar as a negative in their fourth-quarter reports and also concern about its effect on 2017 results.

Among them, Apple gave a cautious

outlook for the current quarter that it mainly attributed to the strong dollar, despite its upbeat fourth-quarter results.

"For a company like ours where we do about two-thirds of our business outside the United States, the strong dollar presents a headwind of more than 2 percent growth," Apple Chief Financial Officer Luca Maestri told Reuters.

Other companies citing currency hurdles for the last quarter or for 2017 included Procter & Gamble, Mead Johnson Nutrition, 3M Co and PPG Industries.

Procter & Gamble said it expects combined headwinds of foreign exchange and minor brand divestitures to cut sales growth by two to three percentage points for fiscal 2017.

Some strategists say the dollar is still likely to be stronger rather than weaker this year, especially given expectations for interest rate hikes for this year, but that earnings should still benefit from an improving economy.

"You should get more than enough growth from the economy if you're a corporation to more than offset the rise in the dollar," said Sameer Samana, global quantitative strategist for Wells Fargo Investment Institute, which expects the dollar index to rise 7 percent by year end.



RAKEEN

AKM Zahurul Islam, chief operating officer of Rakeen Development Company (BD), and Enayet Ullah Khan, director for business development at Apollo Hospitals Dhaka, sign a deal at a programme at Bijoy Rakeen City in Dhaka on February 4. Rakeen's clients and officials will get special discounts at the hospital. Md Nazmul Khan Mojlish, head of marketing at Rakeen, and AM Abul Kashem, senior manager for business development at the hospital, were also present.