



Md Arfan Ali, president and managing director of Bank Asia, poses for photographs with air ticket winners of a campaign on credit card transaction titled "Swipe and Fly" at the bank's corporate office in Dhaka on Thursday. Deputy managing directors of the bank Muhammed Zahirul Alam and Mian Quamrul Hasan Chowdhury, and Senior Executive Vice-president and Head of Retail Md Ariful Islam Choudhury were present.

US to urge G20 members to meet commitments on exchange rates

AFP, Washington

US Treasury Secretary Steven Mnuchin will attend his first Group of 20 meeting this week and will press members to fulfill their prior commitments on exchange rates, a senior Treasury official said Monday.

The official, who briefed reporters on background, said the G20 can be a "helpful" forum to promote issues of interest to the US administration, including boosting global growth and pledges to avoid devaluing currencies to gain a competitive trade advantage.

The official declined to say whether the US would press for stronger language on exchange rates from the G20 ministers, who meet in Baden-Baden, Germany on Friday and Saturday.

But, the official said, the commitments already made in previous communiqués "are very important."

Currencies, always a sensitive topic, have been pushed to the forefront once again by

White House economic advisor Peter Navarro, who has accused G20 members Germany and China of taking advantage of weak currencies to build a trade surplus with the United States.

The G20 language on currencies has remained consistent for several years, with members promising to "refrain from competitive devaluations and we will not target our exchange rates for competitive purposes."

The Treasury official said implementation is key and the US will be watching to ensure countries "follow through on those commitments."

The G20 also pledged to "resist all forms of protectionism," but again the US Treasury official declined to speculate on any changes that might be made to the communique.

Mnuchin will have bilateral meetings with several counterparts during his trip, including with China's finance minister Xiao Jie. He will also make stops in London and Berlin.

Boeing, aerospace manufacturers back US tax overhaul

REUTERS

Boeing Co and about 90 other aerospace companies are urging Congress to overhaul the US tax system, saying a set of changes Republicans proposed last year - including a big cut in the corporate tax rate - will make them more competitive globally and help create US jobs.

Boeing Chief Executive Dennis Muilenburg was among those who signed a letter to Republican and Democratic leaders in the US House and Senate that was dated Friday and due to be released publicly on Tuesday, according to the Aerospace Industries Association (AIA).

The support comes as congressional Republicans are developing measures to alter the US tax system, a task they plan to tackle after addressing healthcare, according to several people familiar with the matter.

"We urge you to enact legislation that modernizes our tax system, allows America's businesses to better compete in the global market

place and encourages job creation and innovation in the United States," said the AIA letter, also signed by the group's CEO, David Melcher.

The changes are based on a "blueprint" released in June by House Ways and Means Committee Chairman Kevin Brady, a Texas Republican.

Among its key elements, Brady's proposal would cut the US corporate tax rate to 20 percent from 35 percent, permit immediate deductions for capital investment and introduce a border adjustment tax system that would tax imports into the United States but not tax revenue generated by exports out of the country.

The push on taxes by aerospace companies comes as they face some uncertainty under the administration of Donald Trump.

The new president lost no time in publicly pressing Boeing and Lockheed Martin Corp to lower costs on planes bought by the US government. As they source parts and sell many of their products overseas, aerospace companies also

stand to suffer if Trump's aggressive trade policies cause friction with other countries.

At the same time, Trump has voiced support for the tax reform plan, including an export-boosting border adjustment tax.

Drafters of the plan say a tax on imports would increase the value of the dollar, helping offset the cost of imports to US manufacturers by giving them more purchasing power. A stronger dollar would, however, make US goods more expensive for foreign buyers. Boeing's Muilenburg is acting AIA chairman and was joined in signing the letter by Raytheon Co CEO and AIA vice chairman Thomas Kennedy.

Other companies involved in aerospace manufacturing also signed, including Lockheed Martin, General Electric Co, Northrop Grumman Corp, Honeywell International Inc, Rockwell Collins Inc, Rolls-Royce Holdings Plc, General Dynamics Corp, Harris Corp, International Business Machines Corp and L3 Technologies Inc.

Fear of political upsets mutes German investors' mood

AFP, Frankfurt Am Main, Germany

Confidence among German investors recovered slightly in March from a sharp fall in February, a closely watched survey showed Tuesday, but remains below expectations as political uncertainty persists.

The ZEW institute's monthly barometer climbed 2.4 points to reach 12.8 points, making up some of the 6.2 points lost in February.

Analysts surveyed by Factset had predicted a faster rebound, to 13.2 points in March.

"Risks from the upcoming elections in several EU countries are holding uncertainty for the German economy at a relatively high level," ZEW chief Achim Wambach said in a statement.

Germany, Europe's largest economy, currently enjoys strong industrial production and exports as well as low levels of unemployment, meaning people have money to spend.

That was reflected in investors' assessment of the current situation at home, which brightened slightly over the reading in February.

And the financial market experts surveyed by ZEW saw strong improvements in both present economic performance and the future outlook in Germany's eurozone neighbours.

"Good news about the German economy appears to have outweighed concerns about politics elsewhere" in March, Capital Economics analyst Jennifer McKeown commented.

But a drumbeat of fear over possible gains for anti-Europe, anti-globalisation parties in Dutch, French, and German elections spread over the coming months kept investors' mood muted.

Business is also concerned about the impact of protectionist policies from US President Donald Trump, elected on an "America First" platform promising to slash trade deficits.



Christoph Voegeli, general manager of Radisson Blu Water Garden, and Jed Archdeacon, executive chef of the hotel, cut a cake to announce the schedule of a week-long Australian food festival styled "Taste of Australia" at its Water Garden Brasserie Restaurant from Friday.

RADISSON BLU



Aminur Rashid, chairman of Edison Group that markets Symphony branded mobile phones, unveils 'helio S25' smartphone at a launching ceremony in Dhaka. The price of helio S25, which became available in the market from yesterday, is Tk 21,990.

EDISON GROUP

Toshiba crisis shines light on Japan corporate culture

AFP, Tokyo

The troubles at crisis-hit Toshiba are the latest in a string of business scandals that highlight how the backbone of Japan's corporate culture -- unwavering employee loyalty -- can sometimes lead to disaster, analysts say.

The venerable firm's stock has been sliced in half since late December when it first flagged multi-billion-dollar losses at US nuclear unit Westinghouse Electric, and revealed allegations of accounting fraud by senior managers at the division.

On Tuesday, Toshiba said it was delaying the release of its October-December earnings for a second time as it probed the embarrassing allegations, with fears growing that the pillar of corporate Japan could be delisted from the Tokyo bourse.

The scandal came less than two years after its reputation -- and balance sheet -- was hammered by separate revelations that top executives pressured underlings to cover up weak results for years after the 2008 global financial crisis.

Many questions remain unanswered. But Toshiba's latest problems -- like the \$1.7 billion loss cover-up at camera giant Olympus several years ago, employees faking fuel-economy tests at Mitsubishi Motors, or staff hiding a deadly airbag defect at auto parts giant Takata -- may be due to "misplaced" company loyalty, observers said.

"In other countries where you have corporate governance missteps and failure, many of them are motivated by personal greed, self-interest of some kind," said Nicholas Benes, head of the non-profit Board Director Training Institute of Japan.

A frequent case is when people think they are doing it for the company's self-interest -- it is a misplaced loyalty.

This allegiance is closely linked to post-war Japan's meteoric rise from shattered nation to the world's number two economy.

Employees did not ask questions and devoted themselves to the company's success in return for lifetime employment.

Those powerful bonds have weakened over the decades as the economy soured and firms laid off workers.

But the structure of corporate Japan still puts a company's reputation above all else, which sometimes leads to hiding facts, delaying announcements or trying to meet a superior's impossible demands, analysts said.

"They tend to think that if this problem comes to light it's going to drag down the company's stock price," said a former Japanese government official who worked on corporate management and governance issues.

"What they're doing actually hurts the company's credibility. But they think they are acting for the sake of the company," added the former official, who asked not be named.

Most major Japanese firms still hire university graduates right out of school and groom them to stay for their whole career.

"As you enter a company and work there for long time, the company's manner code soaks into you," said Nobutaka Kazama, a business professor at Meiji University in Tokyo.

A stock and asset price bubble that burst in the early nineties ushered in years of slow growth and deflation, with once-mighty Japan falling behind China as the dominant Asian economic power.

China industrial output offers fresh sign of stability

AFP, Beijing

China's industrial output growth held steady in January and February, official data showed Tuesday, providing further evidence of stability in the world's second-largest economy despite slower retail sales growth.

Industrial output rose 6.3 percent year-on-year in the first two months of 2017, according to the National Bureau of Statistics, slightly beating the 6.2 forecast in a

Bloomberg News survey.

Retail sales, a key indicator of consumer spending, increased 9.5 percent over the period, down from 10.2 percent in the same period last year. Sales grew 10.9 percent in December.

Fixed-asset investment, a gauge of infrastructure spending, rose 8.9 percent year-on-year in January-February.

Real estate investment increased a surprising 8.9 percent in the period, up from 3.0 percent over

the same stretch last year, despite tighter regulations to thwart speculators and guard against a feared property bubble.

Most data are "quite positive" and "apparently improving", NBS spokesman Sheng Laiyun said in a news briefing.

The figures are the latest in a slew of upbeat data including positive fourth-quarter 2016 economic growth, and encouraging February results on factory activity, imports, and factory gate prices.

"China's economy is opening the year with a good start, although pro-growth policies to shore up consumption in coming months are needed," Gao Yuwei, a researcher at the Bank of China Ltd.'s Institute of International Finance, told Bloomberg News.

"Fixed-asset investment got a boost largely because of infrastructure projects," Tommy Xie, economist at OCBC Bank, told Bloomberg, adding that "the proactive fiscal policy is playing out well".



Unitech Products (BD) organised a daylong sales conference at its factory in Kabirpur Industrial Area, Savar on Saturday. Anis Ahmed, managing director of Unitech Products, was present at the conference attended by about 310 distributors.

UNITECH PRODUCTS