



SM Amzad Hossain, chairman of South Bangla Agriculture & Commerce Bank, and Md Rafiqul Islam, managing director, attend a celebration ceremony at the bank's head office yesterday, as the bank stepped into its fifth year.

Business confidence rises again in Japan

AFP, Tokyo

Confidence among Japan's biggest manufacturers has risen for the second straight quarter, a key central bank survey showed Monday, a welcome boost for the world's third-largest economy.

The report comes after a batch of government data on Friday showed inflation and factory output picked up in February while the unemployment rate dipped to a two-decade low.

Japan has been struggling to mount a firm economic recovery and put years of on-and-off deflation in the rear view mirror.

The Bank of Japan's Tankan report -- a quarterly survey of more than 10,000 companies -- showed a reading of 12 among major manufacturers, rising from 10 in the previous survey.

That is the strongest level since the same reading for the final quarter of 2015 report but fell short of the median forecast of 14 in a survey by Bloomberg News.

"While today's Tankan survey showed that business conditions for large manufacturers did not improve as much as most had anticipated, the survey suggests that growth will remain strong for now," Marcel

Thieliant, senior Japan economist at Capital Economics, wrote in a note.

The report, which is closely watched for being the broadest indicator of how Japan Inc is faring, showed that businesses had estimated a weaker yen for the just ended fiscal year.

A weaker currency is positive for Japanese exporters as it makes their products more competitive abroad and inflates repatriate profits.

The average predicted exchange rate by large manufacturers for the fiscal year that ended last month was 107.30 yen against the dollar, which is weaker than the 104.90 yen forecast in the previous report.

The rate is what companies use internally for business planning and often deviates from current market exchange rates.

The companies also forecast further weakness in the currency in the current fiscal year that started Saturday. They see the Japanese currency at 108.43 to the dollar.

The yen was trading at 111.20 to the dollar on Monday, compared with 111.31 yen in New York on Friday afternoon and 111.87 yen in Tokyo earlier.

Confidence among small- and mid-sized firms also strengthened in the latest survey.

State Bank of India sees cost savings after merger with units

REUTERS, Mumbai

State Bank of India, the nation's top lender by assets, expects no nasty surprises on bad loans after merging five subsidiary banks with itself at the weekend in a deal that will help it save costs and gain scale, senior executives said.

The government-driven move to merge State Bank of Bikaner and Jaipur, State Bank of Hyderabad, State Bank of Mysore, State Bank of Patiala and State Bank of Travancore with SBI, which already owned majority stakes in the units, is seen as the beginning of consolidation in India's public sector banks.

SBI also took over Bharatiya Mahila Bank, a niche lender to women, as regulators aim to strengthen the sector with fewer but better-capitalised lenders at a time when Indian banks are battling record bad loans and need billions of dollars in new capital.

The merger will catapult SBI to the league of the top 50 global banks by assets, the lender said, with a far bigger presence in all corners of the country, with some 24,000 branches and 370 million customers.

The bank will relocate some 1,800 branches to better utilise resources, go slow on opening new branches and shuffle staff in a bid to save

costs, said its Chairman Arundhati Bhattacharya and other senior executives at a news conference on Monday. The more than 200-year-old bank has also begun a voluntary retirement scheme to rationalise its headcount.

Bhattacharya took the helm of the parent bank in late 2013 and has since surprised the market by managing bad loans better than its state-run peers, who together account for bulk of India's \$149 billion soured assets.

She sought to assure investors at the conference that there will be no nasty surprises on bad loans going forward. The subsidiaries have a higher bad-loan ratio than the parent.

Tesla delivers quarterly record of 25,000 vehicles in Q1

REUTERS

Tesla Inc, the US luxury electric car maker, said on Sunday first-quarter vehicle deliveries jumped 69 percent from a year ago to a quarterly record of 25,000 vehicles, bouncing back from delays in the previous quarter.

The company said of the total vehicles delivered, about 13,450 were Model S sedan and about 11,550 were Model X sports utility vehicle.

Tesla has said it expects to deliver 47,000 to 50,000 Model S and Model X vehicles combined in the first half of 2017.

In the fourth quarter, deliveries had fallen 9.4 percent due to short-term production hurdles from the transition to a new

autopilot hardware.

Tesla had said production challenges, which started at the end of October and lasted through early December, shifted vehicle production towards the end of the fourth quarter, resulting in delayed deliveries.

Ultimately, about 2,750 vehicles were missed being counted as deliveries in the fourth quarter either due to last-minute delays in transport or because the customer was unable to physically take delivery.

In addition to the first quarter deliveries, about 4,650 vehicles were in transit to customers at the end of the quarter and will be counted as deliveries in the second quarter, Tesla said in a statement on Sunday.

Tsipras says deal with creditors hinges on debt relief

AFP, Athens

Greek Prime Minister Alexis Tsipras said Sunday that "significant steps" would be needed on reducing his country's debt in order for Athens to finalize a long-delayed deal with its international creditors.

"The deal's closure and the vote on measures (demanded by the European Union and the International Monetary Fund) will happen... on the condition that there be significant steps in the meantime on (reducing) debt," Tsipras told the Greek daily Ethnos in an interview published Sunday.

Negotiations between Athens and its eurozone and IMF creditors have

dragged on for months over disagreements on debt relief and budget targets for the country.

Among the measures reportedly demanded by Greece's creditors are additional pension cuts, a reduced tax-exemption ceiling, and further deregulation of the energy and labour markets.

They are also pushing for a major asset sale at the state Public Power Corporation, Greece's largest electricity provider and a near monopoly, in the interests of increasing competition in the sector. The impasse has held up the latest instalment of Greece's 86-billion-euro (\$91 billion) bailout, agreed in 2015, which it needs for debt repayments in July.

"There will be new developments in the coming days," government spokesman Dimitris Papadopoulos told Greece's TV Saki on Sunday. "We are in the final stretch".

Representatives for Greece's creditors said progress had been made in certain areas but would not confirm that both sides were close to a deal.

The last such deadlock over Greece, which followed the election of Tsipras in early 2015, nearly saw Athens expelled from the euro.

With the European Union already reeling from Brexit, Tsipras argued that Greece's current rescue programme -- its third since 2010 -- would collapse if his government were to fall.



Robi's Managing Director Mahtab Uddin Ahmed poses with the GSMA Glomo award for Robi-10 Minute School for the "Best mobile innovation for education and learning" in the "Connected life awards" category given at the Mobile World Congress 2017. The announcement came during the congress held in Barcelona.

Made in Senegal? New industrial park woos Chinese firms

REUTERS, Dakar

Four new factory buildings rise up from fields on the outskirts of Senegal's capital, the first phase of a government plan to woo Chinese companies shifting low-end manufacturing to Africa as wages in East Asia rise.

African countries are vying for millions of jobs that China is expected to shed. So far Ethiopia is ahead of the pack, with a fledgling shoe and garment-making sector that has made it one of Africa's rising stars.

Now Senegal, a country with a tiny manufacturing base and main exports including fish and peanuts, hopes to replicate that success with a new industrial park and a deal with the Chinese businesswoman whose shoe factory kickstarted Ethiopia's nascent industrial revolution.

Senegal's stable democracy and Atlantic Ocean port make it a natural candidate for export-based industry, but it ranks 147 out of 190 countries on the World Bank's ease of doing business index due to problems with electricity access and bureaucracy.

The 85 billion CFA franc (\$138.59 million) project in the town of Diamniadio is gambling on hopes it resuscitate a manufacturing sector that has languished for decades.

If it works, this will be one of the first cases of Chinese industry spreading to Francophone West



An administrative building at Senegal's new Diamniadio industrial park.

Africa. The stakes are high. Senegal suffers chronic underemployment that sends millions abroad in search of a better life.

"Lots of Chinese companies are discovering Senegal for the first time," Mines and Industry Minister Aly Ngouille Ndiaye told Reuters in a phone interview. "In the industrial domain, we have everything to learn from China."

Kenya, Tanzania and Rwanda are among the other African countries that are chasing Chinese textiles investment and have launched or planned new industrial zones in the last three years. None, however, are as far along as Ethiopia.

China has also invested in manufacturing in Ghana and Nigeria, West Africa's top economies, but its

activity in the French-speaking countries has been centered around more traditional areas like infrastructure and mining.

C&H Garments, a Chinese company active in Ethiopia and Rwanda, plans to hire 5,000 workers at Diamniadio and export clothes to the U.S. and Europe, said co-owner Helen Hai. Hai expects the plant to open this year.

Around 20 other companies from Senegal, North Africa, Europe and Asia have applied for factory space and are awaiting selection, Ndiaye told Reuters, although Senegal still needs to pass new tax laws for the special economic zone.

Senegal developed a textile industry in the 1960s but it was heavily supported by the state,

which couldn't sustain it. Now it imports almost everything from clothes to matchsticks to toilet paper, often from China.

While there are some factories canning fish, making cement and rolling cigars for export, they are dwarfed by a services sector that makes up more than half the GDP.

"If Senegal is able to demonstrate a quick success as a French-speaking country, this could have a big snowball effect... on the African continent," Hai said.

This was the case in Ethiopia. After Hai's shoe company Huajian opened a plant near Addis Ababa in 2012, other firms clustered around it and foreign direct investment grew over 300 percent to reach \$1.2 billion by 2014, according to a U.N. World Investment Report.

Senegal has higher wages and electricity costs than Ethiopia, but its proximity to target markets in Europe and North America makes it attractive, said Hai, who is also advising the government.

But analysts say Senegal will still need to work quickly to seize the opportunity in a brutally competitive environment.

Between five and 10 African countries are likely to see their industrial sectors take off in the next decade as production shifts from Asia, said John Page, a Brookings fellow and former chief Africa economist at the World Bank.

Eurozone unemployment falls to near 8-year low

AFP, Brussels

Unemployment in the eurozone fell in February to its lowest level since May 2009 as a hiring spree took hold despite uncertainty over Brexit, EU figures showed Monday.

The Eurostat statistics agency said the jobless rate in the 19-nation single currency area fell to 9.5 percent, with sustained drops in Spain and Portugal also a factor.

During the worst of the debt crisis that ravaged mainly the southern countries in the eurozone, unemployment peaked at 12.1 percent.

In total, the number of eurozone unemployed has come down by almost four million from a peak of 19.3 million in April 2013.

Data firm Markit meanwhile reported that factory orders in the eurozone were fueling the recovery in jobs.

In its closely watched survey, Markit said the eurozone manufacturing PMI hit 56.2 points in March, up from 55.4 in February, the fastest growth in six years.

"The upturn is broad-based with one exception. Greece is suffering an increased rate of contraction of its manufacturing economy, with exports dropping sharply again in March," said Chris Williamson of IHS Markit.

The PMI measures companies' readiness to spend on their business and so gives a good idea of how the underlying economy is performing.

The series of fresh data will add to a list of arguments from powerhouse Germany that the European Central Bank should stop its massive stimulus programme as early as possible.

The ECB, led by its chief Mario Draghi, is at pains to stress that despite the series of positive economic signals, it may be too soon to pull back on the programme.

Eurostat on Friday gave ammunition to Draghi's side of the argument to maintain the stimulus, reporting that inflation had dropped to 1.5 percent, well below the ECB's target.

By country in February, Europe's top economy Germany had the lowest eurozone jobless rate at 3.9 percent, while Greece at 23.1 percent was the worst.

France, the second biggest economy in the eurozone, remained stuck at 10 percent. Spain continued its steady drop, landing at 18.0 percent. While still high, this was a big drop from 20.5 percent 12 months before.

This means "that more than 500,000 fewer people are unemployed than a year ago in the eurozone's fourth largest economy," said Bert Colijn, Senior Economist at ING bank.

Across the European Union's 28 member states, the unemployment rate stood at 8.0 percent in February. This was the lowest since January 2009.

"Job growth could accelerate in the months ahead, as hiring expectations among businesses have increased significantly in recent months and economic growth has been robust for a while now," Colijn said.