



Sir Fazle Hasan Abed, chairman of Brac Bank, opens the Dhaka office of Brac Saajan Exchange Ltd, the UK-based subsidiary of Brac Bank, on the Gulshan-Badda Link Road yesterday. Kazi Mahmood Sattar, chairman of Brac Saajan; Selim RF Hussain, managing director of Brac Bank; and Abdus Salam, founding managing director of Brac Saajan, were also present.

Inauguration

EU nations agree new rules on dumping aimed at China

REUTERS, Brussels

European Union countries agreed on Wednesday new rules to combat dumping, a move that targets cheap imports of products such as steel from Chinese manufacturers.

The European Union and many of China's other trading partners have debated whether to treat China as a "market economy", which Beijing says was its right at the end of 2016, some 15 years after it joined the World Trade Organization.

For now, China is treated as a special case. Investigators from the EU determine whether Chinese export prices are artificially low by comparing them with those of a third country, such as the United States, rather than with domestic prices in China.

The European Commission, now backed up by the EU's 28 member states, believes the rules for China must be changed and has proposed that the normal reference value in dumping cases involving WTO members should be domestic prices.

However, if there are "significant market distortions", investigators can instead use

international benchmark prices.

Such distortions would include state interference, from state-owned enterprises to arranging cheap financing or discrimination in favour of domestic companies.

Italy, which faces a general election within a year, had initially rejected the proposal, but agreed on Wednesday after a further line was added on distortions to include inadequate enforcement of bankruptcy, corporate or property laws.

The effects of globalisation, and dumping by China in particular, has become a charged political issue. French presidential candidate Emmanuel Macron said on Tuesday he would push the EU to raise anti-dumping duties.

The new proposal, which may have to be reworked before it secures European Parliament backing, is officially country-neutral, with no mention of China.

Critics have said the proposal shifts the burden of proof, meaning EU producers will have to show distortions rather than Chinese companies show their absence, and so risks opening Europe's doors to more cheap Chinese products.

Made-in-China passenger jet set to take wing

AFP, Shanghai

China is expected this week to conduct the maiden test flight of a home-grown passenger jet built to meet soaring domestic travel demand and challenge the dominance of Boeing and Airbus.

The C919, built by state-owned aerospace manufacturer Commercial Aircraft Corporation of China (COMAC), was set to take wing on Friday, the company said on Wednesday, according to the official Xinhua news agency.

"If weather conditions are not suitable, the maiden flight will be rescheduled," COMAC said, adding that engineers had completed some 118 tests.

The narrow-body jet represents nearly a decade of effort in a state-mandated drive to reduce dependence on European consortium Airbus and US aerospace giant Boeing.

"The first flight itself is not a huge deal. (But) of course, it's going to be a hugely symbolic moment in the evolution of China's aviation industry," said Greg Waldron, Asia managing editor at industry publication Flightglobal.

The C919 is the country's first big passenger plane and the latest sign of growing Chinese ambition and technical skill, coming one week after China launched its first domestically made aircraft carrier and docked a cargo

spacecraft with an orbiting space lab.

The C919 can seat 168 passengers and has a range of 5,555 kilometres (3,444 miles).

China is a huge battleground for Boeing and Airbus, with its travellers taking to the skies in ever-growing numbers.

The Chinese travel market is expected to surpass the United States by 2024, according to the International Air Transport Association.

Airbus has estimated Chinese airlines will need nearly 6,000 new planes over the next two decades, while Boeing foresees 6,800 aircraft. Both put the combined price tags for those planes at around \$1 trillion.

But aviation analysts said Shanghai-based COMAC has a long journey ahead before it can challenge the lock on the market by Boeing and Airbus.

"This is an important milestone for China with this new aircraft. But for it to move to the next stage, which is to sell this product, is not going to be so easy," said Shukor Yusof, an analyst with Malaysia-based aviation consultancy Endau Analytics.

But COMAC may be able to rely on purchases by fast-growing Chinese airlines.

It had already received 570 orders by the end of last year, almost all from domestic airlines.

Waldron agreed it would take time but said that over the next century China would become a world aviation player.

"You are going to have three big companies. You will have Boeing, you will have Airbus, and you will have COMAC," he said.

China has dreamed of building its own civil aircraft since the 1970s, when it began work on the narrow-body Y-10, which was eventually deemed unviable and never entered service.

COMAC's first regional jet, the 90-seat ARJ 21, entered service in 2016, several years late.

The ARJ 21 is currently restricted to flying domestic routes as it still lacks the Federal Aviation Administration (FAA) certification that would allow it to fly US skies.

China also has been in talks with the FAA to obtain certification for the C919, without result.

The C919's first test flight had been due to take place in 2016 but was delayed.

Besides the C919, China is also working with Russia to develop a long-haul wide-bodied jet called the C929.

Although the C919 is made in China, foreign firms are playing key roles by supplying systems as well as the engines, which are made by CFM International, a joint venture between General Electric of the US and France's Safran.

Oil rebounds from near 2017 lows

REUTERS, London

Oil prices rebounded from near 2017 lows on Wednesday after preliminary data showed a much larger-than-expected fall in US crude stocks, reviving bullish sentiment about easing oversupply.

Benchmark Brent crude was up 35 cents at \$50.81 a barrel at 1010 GMT. On Tuesday the futures had settled at their lowest since Nov. 30, when the Organization of the Petroleum Exporting Countries decided to cut oil supply.

US West Texas Intermediate (WTI) crude traded at \$47.94 a barrel, up 28 cents. WTI had slid 2.4 percent on Tuesday on concerns about falling Opec compliance with its produc-

tion-curbing deal.

Data from the American Petroleum Institute (API) assessing closely watched US oil inventories showed late on Tuesday that crude stocks had fallen last week by 4.2 million barrels, nearly double the drop expected by analysts polled by Reuters.

"The API statistics are helping the market recover, but the underlying sentiment is still bearish," said Tamas Varga, analyst at London brokerage PVM Oil Associates.

The US government releases official inventory data from the Energy Information Administration on Wednesday at 1430 GMT.

The data will also provide an update on growth in US oil production, a key factor that has kept a lid on price gains

driven by output cuts elsewhere.

"(US) production growth has slowed during the past couple of weeks. If continued today it may also add some glimmer of hope for the bulls, who increasingly have been losing patience," said Ole Hansen, head of commodities strategy at Saxo Bank.

Oil investors continue to eye producing countries' compliance with their pledge made in late 2016 to cut production by around 1.8 million barrels per day (bpd) by the middle of the year.

Russia, contributing the largest production cut outside Opec, said on Wednesday that as of May 1, it had curbed output by more than 300,000 bpd since hitting peak production in October.



Muhammad Mizanur Rahman, chairman of PHP, hands over the keys of a Proton car assembled in Bangladesh, at the launch of PHP Automobiles in Chittagong on May 1.

Mahindra pulls the plug on electric car sales in UK

REUTERS

Mahindra & Mahindra has stopped selling its electric car in the United Kingdom due to meagre sales and is winding up operations there, according to a document seen by Reuters, in a setback for the Indian automaker's global ambitions.

Mahindra's exit from the UK comes less than a year after it launched the e2o car in a market it considered a launch-pad for selling electric cars in Europe, especially to countries like Norway, Sweden and the Netherlands.

"The level of e2o sales achieved is at an untenable level for us to maintain the investment required, hence our decision to cease trading at Mahindra UK with immediate effect and retract from the UK market," Mahindra said in an April letter addressed to one of its buyers in the country.

"The Indian EV market is poised for a take-off and given that scenario, we are primarily focusing on the Indian market," said a Mahindra spokesman, in response to a Reuters query for comment. "We'll reconsider the UK market at an opportune time."

VW confirms forecast after jump start to 2017

AFP, Frankfurt Am Main

German carmaker Volkswagen on Wednesday confirmed its forecasts for 2017 after boosting revenue and profits in the first quarter, even as its emissions cheating scandal continues to make headlines.

The group reported net profit of 3.4 billion euros (\$3.7 billion) in the period from January to March, up 44 percent compared with the first three months of last year.

Revenues at the massive group, whose stable of 12 brands ranges from luxury Audi to generalist VW and lower-end Skoda, grew 10 percent to 56.2 billion euros.

Both results significantly outperformed forecasts from analysts surveyed by data company Factset.

"Our quarterly figures were positively impacted by the strong performance of the group brands, the launch of new, compelling products and solid earnings in Western Europe," chief executive Matthias Muellers said in a statement.

US private sector hiring slows in April

AFP, Washington

Private US companies hired at a slightly slower pace in April, with new employment nearly entirely in the services sector, payroll firm ADP reported Wednesday.

Nonfarm private employment rose 177,000, below the 255,000 increase in March, and the lowest increase since October, although the result was slightly better than the consensus forecast.

The report, which covers 411,000 firms and 24 million workers, comes before Friday's closely-watched US employment data, although the two reports can diverge widely.

In March, the Labor Department reported an increase of just 98,000 nonfarm

payrolls, far below the ADP figure. Analysts are expecting Friday's report to show a gain of 180,000 for April.

Mark Zandi, chief economist of Moody's Analytics, said job growth slowed in April due to a pullback in construction and retail jobs, which continue their retreat.

"The softness in construction is continued payback from outsized growth during the mild winter," he said in a statement. "Brick-and-mortar retailers cut jobs in response to withering competition from online merchants."

Of the total, 165,000 new jobs were in services, while construction saw a decline of 2,000, and manufacturing jobs increased by 11,000.



MA Hashem, chairman of Partex Group; Sultana Hashem, chairperson of Partex Star Group; Aziz Al Kaiser, vice chairman; Aziz Al Mahmood, managing director, and AHM Lutfur Huda, CEO, attend a programme to celebrate the 25th anniversary of Danish Condensed Milk, at International Convention City Bashundhara in Dhaka on May 1.



AFM Asif, CEO of Bengal Meat, and Ahmed Mottaki, chairman of Mianz Foods, attend the signing of a deal at a programme to export halal meat from Bangladesh to the Maldives.