

# Airbus and Boeing eye lucrative maintenance market



An Airbus A321 neo performs its flying display as a Boeing 737 MAX 9 is moved on the tarmac at the International Paris Air Show at Le Bourget in France on June 21.

AFP, Le Bourget, France

Airbus and Boeing wheeled out the usual round of order announcements at the Paris Air Show on Wednesday, but alongside the big ticket purchases, the aerospace rivals are also eyeing the lucrative maintenance and servicing market as they seek to boost growth.

Boeing finalised an order for three 787 Dreamliners to Israeli carrier El Al and inked a memorandum of understanding with leasing company Air Lease Corporation for 12 737 MAXs, while Airbus announced \$1.5 billion in orders for Hungarian budget carrier Wizz Air

and Portuguese charter airline Hi Fly.

Away from the order books, Airbus and Boeing are targeting the service and maintenance market as a means of boosting business, with the global fleet of planes on course to double by 2036.

Boeing values global demand for aerospace services at \$2.6 trillion over the next 10 years. Europe and North America are expected to remain the biggest markets, but the fastest growth is set to come in Asia, where demand for new planes is booming.

The US giant predicts the global aviation support market -- which includes maintenance,

engineering, training and information services and analytics -- will be worth some \$8.5 trillion between 2017 and 2036.

These services go alongside the massive growth in global air traffic and demand for new aircraft -- Boeing estimates more than 41,000 planes will be needed in the next 20 years for an estimated \$6.05 trillion.

Boeing said its customers are increasingly using technology and data to improve their business decision-making and passengers' travel experience.

"It is clear that our customers, in both commercial and government sectors, are searching for more efficient ways to keep their fleets operating and ready for use in an age of rapid technological advancement," Stan Deal, president and CEO of Boeing Global services, said in a statement.

"As commercial airline fleets continue to grow worldwide, demand for after-market services designed to increase efficiency and extend the economic lives of airplanes will follow."

Boeing, which achieved a turnover of \$95 billion in 2016, announced the creation of a dedicated services division late last year, due to start operations on July 1.

It has a 50 percent share of the civil and military aviation market, but only seven to nine percent in services.

Airbus estimates the services market will be worth \$3.2 trillion over the next 20 years, including \$1.85 trillion for maintenance alone.

The European giant also announced plans to install new floating black box flight data recorders on its long-haul planes from 2019.

Each plane will be equipped with two recorders, one fixed in the forward part of the aircraft and a second in the tail which could detach and float on the surface if the plane crashes in the sea.

## Takata to file for bankruptcy Monday

REUTERS, Tokyo

Takata Corp will seek bankruptcy protection from creditors on Monday, two sources said, as the Japanese company faces billions of dollars in liabilities stemming from the biggest recall in automotive history.

The firm, whose defective air-bag inflators have been blamed for at least 16 deaths and more than 150 injuries worldwide, will file for protection in Tokyo District Court under the Civil Rehabilitation Act, Japan's version of US Chapter 11 bankruptcy, said the sources, one of whom has direct knowledge of the matter and one who was briefed on the process.

Takata will then seek bridge loans from the core banking unit of Sumitomo Mitsui Financial Group Inc, which will provide tens of billions of yen (hundreds of millions of dollars) in bridge loans, one

source said.

Takata spokesman Toyohiro Hishikawa said nothing had been decided regarding any filing or financing.

Shares in Takata changed hands for the first time since sources said last week that the struggling airbag maker was preparing to file for bankruptcy.

By mid-afternoon shares had more than halved in value to 116 yen, eroding Takata's market capitalization by about 75 percent from a week ago to nearly \$86 million now.

Any filing would coincide with a deal for financial backing from US auto parts maker Key Safety Systems Inc. Key is expected to acquire Takata assets as part of a restructuring in bankruptcy, a source told Reuters.

Takata would stop making air-bag inflators after completing a global recall as part of the restructuring plan with Key, separate sources said.

## Taiwan's Foxconn says Toshiba deal 'not over'

AFP, New Taipei City, Taiwan

The head of Taiwan's tech giant Foxconn said Thursday its pursuit of Toshiba "is not yet over", a day after the Japanese firm announced it preferred another group of bidders to acquire its prized chip business.

Foxconn, also known as Hon Hai, is controlled by billionaire Terry Gou and reportedly had Apple as a financial backer in its multi-billion dollar bid for Toshiba's memory chip unit, seen as crucial for the cash-strapped Japanese firm to turn itself around.

Toshiba said Wednesday it would hold exclusive talks with a consortium of US, South Korean and state-backed Japanese investors, dashing Gou's ambitions.

Gou blasted the decision as a "scam" after an annual shareholders meeting in New Taipei City Thursday, accusing Japan's Ministry of Economy, Trade, and Industry (METI) of interfering with the sale and engaging in "bureaucratic politics."

The ministry declined to comment on Gou's remarks when approached by AFP.



Abdul Wadud, deputy managing director of City Bank, and Yousuf Aman, a director of Eurocars Ltd, the authorised dealer of Volvo cars in Bangladesh, attend an agreement signing ceremony at the bank's head office in Dhaka. Members of Citygems, the priority banking arm of the bank, will enjoy a complimentary five years' maintenance package, complimentary concierge service, access to priority service lane and other services at Eurocars.

## EU seeks crackdown on aggressive tax planners

AFP, Brussels

European tax planners who help rich clients, including sports stars, evade the tax man will risk hefty fines, according to EU plans unveiled on Wednesday.

The draft law comes in the wake of a wave of scandals such as Panama Leaks and Football Leaks that exposed the murky world of intermediaries that help some of the world's richest people escape tax.

"There are people, companies, institutions that make vast amounts of money from helping others to escape taxation," the EU's Economy Commissioner Pierre Moscovici said at a news briefing, announcing the proposal.

"These include tax advisers, financial consultants, accountants, banks, lawyers, sport agents: we have some famous examples being discussed now," he said.

Under the plan, all cross-border tax plans

that bear signs that they will cause financial losses for national coffers will have to be automatically reported to authorities ahead of time, the Commission said.

EU states will automatically exchange the information through a centralised database, providing an early warning to EU partners on new risks of avoidance.

The proposals come a day after football star Cristiano Ronaldo, the latest figure to be caught up in the scandals, was summoned to court accused of evading 14.7 million euros (\$16.5m) in tax through the help of intermediaries.

Prosecutors accuse Ronaldo, who is the world's highest paid athlete according to Forbes, of evading tax via two companies based in the British Virgin Islands and Ireland. Spain is also targeting Jose Mourinho, the Manchester United manager who was on Tuesday accused of evading 3.3 million euros in tax during his stay at Real Madrid.



Towhid Samad, chairman of Bangladesh General Insurance Company Ltd (BGIC), speaks at the company's 32nd annual general meeting at Dhaka Ladies Club yesterday. The company declared 11 percent cash dividend on an enhanced capital of approximately Tk 54 crore for 2015.



Anis A Khan, managing director of Mutual Trust Bank (MTB), and Ikram Farazy, managing director of NEC Money Transfer Ltd, exchange the signed documents of a remittance drawing deal at MTB Centre in Dhaka. This will allow remittance recipients to withdraw cash from the cash counters of the bank's branches or get the funds directly on their mobile phones.

## Indian IT sector lobby group sees export growth at 7-8pc for 2017-18

REUTERS

A leading lobby group for India's IT industry on Thursday forecast the sector's export revenues to grow at 7-8 percent for the year to March, around the growth levels seen last year, as the industry faces continued headwinds from the US market.

The more-than-\$150 billion industry saw exports rising 7.6 percent last year, according to a statement from The National Association of Software and Services Companies (NASSCOM).

Revenue for the domestic market is projected to grow at 10-11 percent in 2017/18, NASSCOM added. Sarabjit Kour Nangra, vice president of IT research at Angel Broking, said the statement was "broadly in line with the outlook given by industry players and hence holds no big surprise".

India's IT industry is facing uncertainty as U.S. President Donald Trump considers tougher visa rules, raising fears of higher labor costs as companies look at hiring more expensive US workers.

## US existing home sales rebound in May as prices rise

AFP, Washington

Sales of existing homes rebounded in May after April's surprise dip, and prices edged higher, according to industry figures released Wednesday.

The National Association of Realtors said strong demand and inexpensive mortgages were driving up prices at an unsustainable rate.

Sales of existing homes rose 1.1 percent last month to an annual rate of 5.62 million, seasonally adjusted, but the increase appeared larger after April's already-low numbers were revised downward. The sales pace beat analyst expectations and was 2.7 percent above the same month last year.

Prices also rose for the 63rd straight month, with the median cost for all housing types hitting \$252,800, a new peak and up 5.8 percent over May of last year.

Meanwhile, housing inventory rose slightly for the month but remained very tight. Supply gained 2.1 percent for the month, with the existing pool of homes hitting 1.96 million. But this was still 8.4 percent lower than the supply recorded in May 2016 and the 12-month measure has fallen for 24 consecutive months.

The current sales rate indicates a supply of just 4.2 months, down from 4.7 months in the same month of last year.

"Home prices keep chugging along at a pace that is not sustainable in the long run," NAR chief economist Lawrence Yun said in a statement.

"Current demand levels indicate sales should be stronger but it's clear some would-be buyers are having to delay or postpone their home search because low supply is leading to worsening affordability conditions."

### Government of the People's Republic of Bangladesh

Office of the Chief Engineer  
Health Engineering Department (HED)  
Ministry of Health & Family Welfare  
105-106, Motijheel C/A, Dhaka-1000

Memo No: HED/HPNSP/GOB/Dattapara/10 Bed/e-Tender-423/2017/07

Dated: 20/06/2017

### e-Tender Notice

e-Tender is invited in the National e-GP System Portal (<http://www.eprocure.gov.bd>) for the procurement of following works, details are given below.

Sl No.	Tender ID No.	Package No.	Description of work	Tender closing (date & time)	Tender opening (date & time)	Completion time
1.	109390	WP-5103/SDP-4(GOB)-HED	Construction of Dattapara 10 Bed Mother and Child Welfare Center at Shibchar Upazila in Madaripur District.	18/07/2017 up to 17.00	19/07/2017 at 15.00	15 months

This is an online tender, where only e-Tender will be accepted in the National e-GP Portal and no offline/hard copies will be accepted.

To submit e-Tender, registration in the National e-GP System Portal (<http://www.eprocure.gov.bd>) is required.

The fees for downloading the e-Tender documents from the National e-GP System Portal have to be deposited online through any registered bank's branches up to 2.00pm on dated 19/07/2017.

Further information and guidelines are available in the National e-GP System Portal and from e-GP help desk ([helpdesk@eprocure.gov.bd](mailto:helpdesk@eprocure.gov.bd)).

Md. Moniruzzaman Mollah  
Executive Engineer  
HED, Head Office, Dhaka

GD-1317