

Oil prices slip towards multi-month lows

REUTERS, London

Oil slid back toward multi-month lows on Thursday, after a brief recovery early in the session, as traders warily eyed a glut of physical supply that has persisted despite Opec-led efforts to balance the market.

Brent crude futures were down 15 cents at \$44.67 a barrel at 0850 GMT, after spending much of the Asian trading day in positive territory. They fell 2.6 percent in the previous session to their lowest since November.

US crude futures were down 14 cents at \$42.39 a barrel, after also spending much of the day trading higher. On Wednesday, they touched their lowest intraday level since August 2016.

Since peaking in late February, crude has dropped around 20 percent, erasing gains at the end of the year in the wake of the initial Opec-led production cut.

The Organization of the Petroleum Exporting Countries and other producers agreed to reduce output by 1.8 million barrels per day (bpd) from January for six months, and last month extended the deal for a further nine months.

But oversupply has persisted, particularly with output rising in Libya and Nigeria, which were exempt from the cuts due to unrest that had limited their output.

Nigeria's crude oil exports are set to exceed 2 million bpd in August, the highest level planned for 17 months.

"This is a pretty concerning time for a lot of producers," said Michael Burns, oil and gas partner at law firm Ashurst.

"The question is whether Opec will respond with further cuts or whether it needs to look again at its macro strategy for addressing low prices."

The market largely shrugged off comments overnight from Iran's oil

minister that members of Opec are considering deeper cuts in production.

A bigger-than-expected drop in US crude stockpiles also offered only short-lived support.

US crude inventories fell by 2.5 million barrels in the week to June 16, surpassing analyst expectations for a decrease of 2.1 million barrels, data from the US Energy Information Administration released on Wednesday showed.

Gasoline stocks fell by 578,000 barrels, compared with expectations for a seasonally unusual gain.

But output is still increasing in the United States, which was not part of the production agreement.

Oil stocks in Europe's Amsterdam-Rotterdam-Antwerp hub hit 64.2 million barrels in the week to June 16, the highest in a year, and some 24 percent above the January low, according to data from industry monitor Genscape.



Habibur Rahman Mollah, executive director of Crown Cement, hands over a dummy key of a microbus to AAMS Arefin Siddique, vice chancellor of Dhaka University, at a programme on the university campus on Wednesday. Crown Cement donated the car to the university as part of its corporate social responsibility.

New Zealand keeps interest rate at record low

AFP, Wellington

New Zealand's central bank left its base rate at a record low of 1.75 percent Thursday, saying long-term inflation forecasts remained on target.

The Reserve Bank of New Zealand said the Official Cash Rate (OCR) was unlikely to move in the short term.

"The growth outlook remains positive, supported by accommodative monetary policy, strong population growth, and high terms of trade," central bank governor Graeme Wheeler said. The base rate has remained unchanged since November last year, when it was cut from 2.0 percent, and analysts do not expect any movement until mid-2018 at the earliest.

edotco to buy Pakistani tower firm for \$90m

FROM PAGE B1

"It also demonstrates our continued confidence in the Pakistan market and long-term commitment to support the development and enhancement of the country's telecommunications infrastructure."

Established in 2012, edotco Group is the first regional integrated telecommunications infrastructure services company in Asia, providing end-to-end solutions in the tower services sector.

It operates and manages over 25,000 towers in Malaysia, Myanmar, Bangladesh, Cambodia, Sri Lanka and Pakistan.

The company recently bought a 75 percent stake in a Myanmar tower company for \$125 million before raising its stake further to 87.5 percent, according to the Nikkei Asian Review.

Bangladesh among worst countries for workers: ITUC

FROM PAGE B1

The state authorities were swift to take reprisals against garment workers who took part in a week-long strike in the Ashulia garment production district in December 2016. The strike was called in support of the demand for an increase in the minimum wage from \$68 to \$190 per month.

The prime minister issued a directive ordering the strikers back to work, while the labour minister warned that stern action would be taken against the instigators.

At least 35 union leaders and workers' rights advocates were detained in the weeks following the strike in December last year and criminal complaints were filed against more than 1,000 workers, the report said.

Most were members of the Bangladesh Garment and Industrial Workers' Federation, the Shadin Bangla Garments Workers Federation and the Bangladesh Independent Garment Workers Union Federation.

In retaliation for the strikes, the Bangladesh Garment Manufacturers and Exporters Association suspended production at 59 factories.

Two factories affected by the strikes, Windy Apparels and Fountain Garments, have filed criminal complaints against 239 workers, while Ha-Meem Group was reported to be filing complaints against as many as 1,000 workers, the report said.

By early January 2017, more than 1,600 workers had been suspended.

Many garment workers were too scared to go back to work and some even returned to their villages to escape police persecution. Most local trade union offices in Ashulia were shut down or had been vandalised, the ITUC said.

At a more subtle level of anti-union discrimination, systematic obstacles remain to the registration of trade unions in Bangladesh, especially in the garment sector.

A high-level tripartite ILO mission to the country in mid-April 2016 expressed concern about the rate of trade union registration, the report said.

Only about 10 percent of Bangladesh's more than 4,500 garment factories have registered unions, as the labour law requires an unreasonably high 30 percent of workers to agree to form a union and mandates excessive registration procedures.

Besides, the government has vaguely defined powers to cancel a union's registration. "Factory managers threaten and attack unions and their members with impunity."

For instance, Habib Fashions tried to block the formation of a union and then shut it down. The Sommolito Garment Sramik Federation applied to register a union at the factory with the Joint Director of Labour on 30 June 2016.

They were seeking to improve working conditions, such as the unacceptably long hours. Workers were forced to work from 6am to 10pm during Ramadan in June, for example, to fulfil orders on time.

The JDL wrote to SGSF raising certain objections concerning its application, which the union then began to address.

While it was working on this, the factory management met SGSF leaders on 19 July 2016 and asked them to withdraw the application for union registration.

When SGSF refused, the factory management began shifting machinery on the night of July 27, 2016 and declared a temporary closure to take effect as of August 2016, claiming it did not have any orders to fulfil.

The Dhaka-based factory was a subcontractor to many factories producing for international brands and still had plenty of orders on its books. The garment factory owners do not agree with the ITUC's findings, said Siddiqur Rahman, president of the Bangladesh Garment Manufacturers and Exporters Association. "Workplace safety and labour rights have improved a lot in Bangladesh due to efforts by the government and factory owners. The industrial relations between workers and managements have also improved."

On the Ashulia incident, Rahman said some vested quarters instigated the workers against their will, he said. When the situation took a turn for the worse, the owners shut down the factories to save their units from vandalism.

"Until now we have not received any charter of demand from workers after the Ashulia incident," Rahman added.

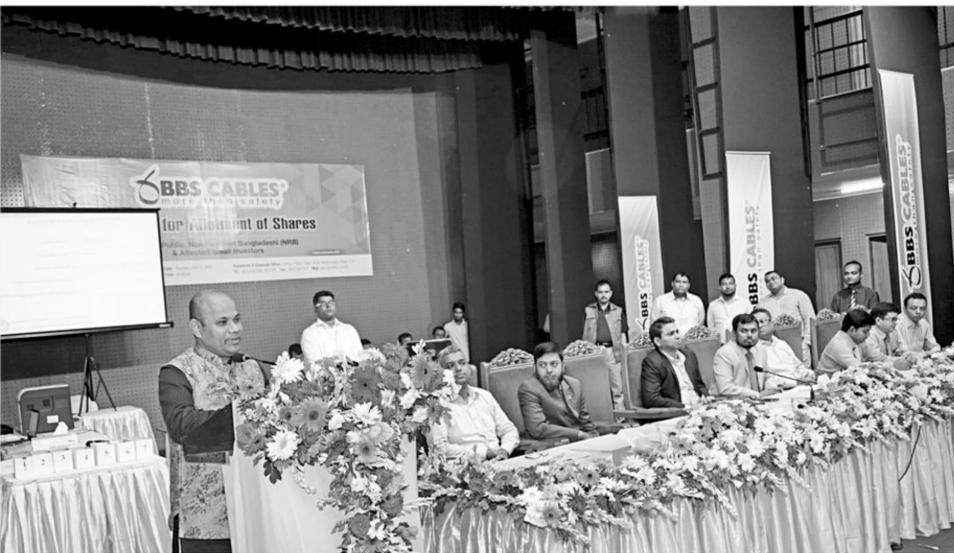
Mikail Shipar, secretary to the ministry of labour and employment, could not be reached for comments on the ITUC report.

The number of countries in which workers were killed for their trade union activity rose from 10 to 11 (Italy, Bangladesh, the Philippines, Brazil, Colombia, Guatemala, Honduras, Mexico, Peru, Venezuela and Mauritania).

The ITUC report also talked about the bad conditions of migrant workers in Qatar. It said workers from India, Nepal and Bangladesh have been working for days without any rest, to upgrade infrastructure for the 2022 World Cup.

In a recent report three workers said they had worked for 148 consecutive days, nearly five months without a rest, while more than three-quarters of the 253 workers interviewed said they paid recruitment fees to agents in their home countries.

Qatar has denied many immigrant workers from India, Nepal and Bangladesh the ability to return home, despite a new law that was approved in December 2016, the report said.



Mohammad Badrul Hassan, chairman of BBS Cables Ltd, attends the company's IPO lottery draw ceremony at the Institution of Engineers, Bangladesh in Dhaka yesterday. Abu Noman Howlader, managing director, was also present.

China Unicom counts Alibaba, Tencent among investors in drive to raise \$10b

REUTERS, Hong Kong

Chinese tech giants Alibaba Group Holdings and Tencent Holdings will be among new investors pouring a total of around \$10 billion into mobile carrier China Unicom, sources said, part of efforts by Beijing to rejuvenate state behemoths with private cash.

Four sources with knowledge of the matter told Reuters that Alibaba and Tencent would invest in the Shanghai-listed unit of the telecoms group - China United Network Communications Ltd - as part of the capital-raising effort.

One of the sources said Alibaba and Tencent would lead the group of investors, while Baidu, the third of China's constellation of tech giants, has pulled out. The source did not comment on the reason for that decision.

China Unicom, formally known as China United Network Communications Group Co Ltd, plans to raise around 70 billion yuan (\$10.25 billion) through the Shanghai unit, the sources said. That would mark the largest capital raising in Asia since the initial public offering of insurer AIA Group in 2010, according to Thomson Reuters data.

About 50 billion yuan would be

raised through new share issues, while China's second-largest telecom carrier would also sell part of its stake in the Shanghai-listed unit, two of the sources said. The sources could not be identified as the negotiations are not public.

Other potential investors approached by China Unicom, named last year as part of a pilot mixed-ownership reform scheme, include the country's other major internet firms and some state-backed institutions, such as China Life Investment Holding Co Ltd, one of the sources said.

Alibaba, Tencent and other potential investors have yet to finalize the terms of any purchase, the sources said, though the deal is likely to be finalised by this summer.

China United Network, Alibaba and Baidu did not respond to requests for comment. China Unicom Group and China Life Investment Holdings could not immediately be reached. Tencent declined to comment.

The State-owned Assets Supervision and Administration Commission (SASAC), which oversees state-owned enterprises (SOEs), also did not respond to a request for comment.

Dohatec's e-GP system for Bhutan sets sail

FROM PAGE B1

The IT firm is supporting the government's birth and death registration project.

In 2001-02, Dohatec developed the US postal service's online mail-tracking system with Harte-Hanks Inc.

The online mail-tracking is capable of handling millions of records in a barcode system.

Dohatec has been developing the WB's annual World Development Report since 2002. The content in the reports is fully indexed and cross-referenced for easy searching across the volumes in the archives.

The Bangladeshi firm attracted attention from software giant Microsoft for its outstanding contribution to the hi-tech domain and became a Microsoft Gold Software certified partner in 2006.

Luna won the 16th Bangladesh Business Awards given by The Daily Star and DHL in the Outstanding Woman in Business category.

Dohatec also worked with different companies in Canada, Germany and Switzerland.

Kushtia bans noncompliant rice millers for two years

FROM PAGE B1

Kushtia is home to one of the country's biggest wholesale rice markets in Bangladesh where coarse rice is being sold at Tk 42-44 per kilogramme.

During the ongoing rice procurement season, from May 2 to June 30, the government wanted to buy rice from the millers at Tk 34 a kg. The millers were reluctant to supply the commodity to the government at less than the market price, according to a number of millers.

As a result, most rice millers did not sign the contract with the government in the first place in the hope of higher profits.

The millers who signed the contracts also refused to sell the staple as

promised as they got better prices in the open market trade.

Coarse rice price went by 46.88 percent year-on-year yesterday, according to the Trading Corporation of Bangladesh.

Kushtia is one of the largest rice producing hubs in Bangladesh where about 868 mills process and produce rice.

Of the total, 609 mill owners are enlisted with the local food office to supply rice to the government.

This year only 193 mill owners in the district signed deals to supply 4,898 tonnes of rice. The government's procurement target was 13,301 tonnes.

But only two mill owners supplied 135 tonnes of rice to the district food

godown till last week.

The situation this year is in stark contrast to that of the past when mill owners would eagerly wait for the procurement drive to start so they could supply the staple food.

On June 1, the local food office received a letter from the regional food controller with instructions to serve mill owners notices banning them from selling rice to the government for the next two years.

With a very low stock of rice and prices rising, the government is walking a tightrope when it comes to procuring rice from the domestic market and is now in the process of importing the item from Vietnam and other countries.



Bruce Lee, head of branding and marketing of Oppo Bangladesh, poses with the winners of the 'Oppo ICC Champions Trophy Cricket Quiz' and 'OPPO Cheer for Tigers with Selfie Expert' contest at a programme at Oppo's office in Dhaka on June 20.