



Mahbubur Rahman Chowdhury, chairman of Bangladesh Eye Hospital Ltd; Niaz Abdur Rahman, managing director, and Sharif Zahirul Islam, head of cards at Standard Bank, attend a deal signing ceremony. The bank's cardholders and employees will get up to 10 percent discount on medical test and surgery along with other benefits at the hospital.

STANDARD BANK

Unilever first half profits soar 22.4pc

AFP, The Hague

Food and consumer products giant Unilever said Thursday profits soared in the first half of 2017, raking in 3.3 billion euros after the Anglo-Dutch firm spurned a takeover bid by US rival Kraft Heinz.

The 22.4 percent hike in the first six months compared to the same period last year showed "a substantial step-up in profitability despite the persisting volatile global trading environment," chief executive Paul Polman said.

"The transformation of Unilever into a more resilient, more competitive and more profitable business is accelerating," he added in a statement.

Sales for the first half of the year rose 5.5 percent to 27.7 billion euros, with turnover

growing particularly in Asia amid rising prices and in parts of the Americas.

Currency fluctuations also helped profits, even though sales "remained weak" in Europe.

The Rotterdam-based Unilever, which employs some 169,000 people around the world, owns more than 400 household brands including Dove, Knorr soups, Lipton, Magnum and Marmite.

Since rejecting the Kraft Heinz bid in February, Unilever has sought to prove to shareholders that it is better off on its own and vowed better profitability.

In April, it unveiled a 3.5-billion euro restructuring plan and announced the spin-off of its margarine division, hoping to soothe investors concerns after rejecting the proposed tie-up with Kraft which would have valued the group at \$143 billion.

German chemical industry confident as growth swells

AFP, Frankfurt Am Main

German chemicals manufacturers expressed confidence Thursday with regard to the outlook for the sector, raising their full-year forecasts for sales and output after a strong performance during the first six months.

Industry federation VCI said that sector-wide output increased by 1.5 percent in the period from January to June.

And manufacturers were able to increase their selling prices as prices rose for oil, an important raw material, and capacity utilization increased.

The combination of increased output and higher prices enabled VCI members to boost sales by around 5.0 percent to 96.9 billion euros (\$111.5 billion) in the January-June period.

Looking to the full year, the federation raised its forecast for output growth to 1.5 percent from 1.0 percent previously.

Revenues were also expected to grow by 5.0 percent to 194 billion euros, the VCI said. Previously, the federation had been

pencilling in full-year growth of 3.5 percent.

"We are expecting good business to last at home and abroad," VCI president Kurt Bock said, pointing to stable growth forecasts for producers' most important markets.

Over the first half year, Europe, Asia and the United States saw "significant" increases in sales, Bock said, while a political and economic crisis in Brazil weighed on business in South America.

Companies have scaled up plans to invest in production plants in Germany, increasing spending by 6.7 percent to around 7.5 billion euros.

With around 450,000 employees, the chemicals and pharmaceuticals industry is Germany's third-largest sector, behind car and machine tool makers.

That gives it a strong voice with politicians ahead of September elections.

The VCI's top priority is to reduce energy prices, driven up by Germany's transition to renewables. Members also want tax breaks for research and development and improved transport and internet infrastructure.

US, China fail to agree on trade issues

REUTERS, Washington

The United States and China failed on Wednesday to agree on major new steps to reduce the US trade deficit with China, casting doubt over President Donald Trump's economic and security relations with Beijing.

The annual economic dialogue session in Washington ended with canceled news conferences, no joint statement and no new announcements on US market access to China.

The two sides had a "frank exchange" but failed to agree on most major bilateral trade and economic issues that were important to the United States, a senior US official said on condition of anonymity because he was not authorized to speak publicly.

These included US demands for access to China's financial services markets, reducing excess Chinese steel capacity, reductions in auto tariffs, cutting subsidies for state-owned enterprises, ending Chinese requirements for data localization and lifting ownership caps for foreign firms in China, the official said.

"China acknowledged our shared objective to reduce the trade deficit which both sides will work cooperatively to achieve," US Treasury Secretary Steven Mnuchin and US Commerce Secretary Wilbur Ross said in a brief statement, highlighting a rare point of consensus.

The Chinese embassy in Washington cast the talks in a positive light, saying in a statement that both sides had acknowledged "significant progress" on the 100-day talks and would work together to reduce the trade deficit.

"The two sides will expand areas of cooperation in services and increase trade in services; expand mutual investment, and create a more open, equitable, transparent and convenient investment environment," the embassy said.

Both sides agreed that one of the solutions to address the trade imbalance

is for the United States to expand exports to China, instead of reducing imports from China, said Chinese Vice Finance Minister Zhu Guangyao after the conclusion of the talks.

To address the imbalance, China has been urging the United States to remove regulations on export control and increase the exports of high-tech products to China, the official Xinhua news agency cited Zhu as saying.

China will push for this in a one-year action plan for economic cooperation which both sides discussed, Zhu said.

The session had been billed as a follow-up to Trump's first meeting with Chinese President Xi Jinping at his Mar-A-Lago, Florida, estate in April when Trump hailed Xi's cooperation in curbing the threat from North Korea. Trump said that this would lead to better trade terms for China.

The two leaders launched a 100-day economic plan that has produced some industry-specific announcements, including the resumption of American beef sales in China and pledged to grant limited US access to some financial services sectors.

But there have been no new initiatives since, and Trump has grown increasingly frustrated with China's lack of pressure on North Korea. His administration has threatened new sanctions on small Chinese banks and other firms doing business with Pyongyang.

Ross and Mnuchin said the US position on the China trade relationship would be guided by "the principles of balance, fairness, and reciprocity on matters of trade will continue to guide the American position so we can give American workers and businesses an opportunity to compete on a level playing field."

China's delegation leader, Vice Premier Wang Yang, left the Treasury building without speaking to reporters. Earlier, he had warned that



Flags of US and China are seen in Beijing.

confrontation between the two countries would be damaging.

Investors interpreted the negative signals from the talks and lack of new trade announcements as making it more likely that Trump would forge ahead with broad steel tariffs or quotas based on a national security review, sending steelmakers' shares soaring.

Shares of United States Steel Corp closed up 4.8 percent, while AK Steel rose 3.6 percent and Nucor rose 2.2 percent.

Trump, asked by a reporter at the White House after the stock market closed whether he would impose steel tariffs, said: "Could happen."

Potential steel tariffs, which could be announced in the coming weeks, were expected to be a difficult topic in the US-China talks. Ross has blamed massive Chinese excess capacity for a global steel glut that is hurting US producers.

Wednesday's deadlock was unsettling for US business groups that had hoped to put more cracks in Beijing's market access barriers and obviate more aggressive measures from the White House that could destabilize trade ties.

"We are disappointed the

Comprehensive Economic Dialogue ended at an apparent impasse. It is important for governments to take tangible steps to address long-standing issues and ensure the commercial relationship remains a source of stability in the overall relationship," said Jacob Parker, vice president of China operations at the US-China Business Council.

Even if the US and Chinese governments fail to agree on more substantive trade terms, corporate chief executive officers from the two countries pledged to deepen their cooperation and joint investment efforts.

Led by Blackstone Group CEO Stephen Schwarzman and Alibaba Group CEO Jack Ma, a group of 20 executives said they were committing to increase bilateral trade, including the export of US agricultural goods, liquefied natural gas and consumer products to China.

"A stable, growing economic relationship between the United States and China is mutually beneficial to the people of our two countries and for the world," Ma and Schwarzman said in a statement.

A Greek debt market foray should be step to full return, government says

REUTERS, Athens

Greece will seek to ensure seamless market access when its bailout programme expires next year, its government spokesman said on Thursday, as speculation grew that the country's first debt market foray in three years was imminent.

"We are closely monitoring developments in bond markets, we are monitoring trends, and when we consider the time is right we will take the first step towards the markets," government spokesman Dimitris Tzanakopoulos told journalists.

A market return would be considered as part of an overall strategy, he said, to ensure Greece can fully return to markets when its current bailout, the third since 2010, is over.

Greece is keen to tap money markets in a test run before its latest bailout expires in August 2018. In the context of its debt strategy, Tzanakopoulos said, bond yields - which he said have been falling since the country cleared a bailout review on June 15 - were being taken into account.

"The decision of the government is not only related to bond yields, but to a comprehensive strategy and preparation to ensure that in August 2018 we will have regained market access."

"That strategy will define the timing of any (market) debut," he said.

Greece has hired six banks to arrange its first bond sale since being frozen out of financial markets and almost falling out of the euro in 2015, Thomson Reuters market news and data service IFR reported on Wednesday.

One source said that Greece has mandated Bank of America Merrill Lynch, BNP Paribas, Citigroup, Deutsche Bank, Goldman Sachs and HSBC for a five-year trade.

The source added that the deal could arrive as soon as next week, but timing remains uncertain as the sovereign awaits signoff by its official creditor.

Morgan Stanley to shift jobs to Frankfurt due to Brexit

AFP, New York

Morgan Stanley has picked Frankfurt as its temporary hub in the European Union once Brexit takes effect, a person familiar with the situation said Wednesday.

The New York investment bank will double staff in the German city to 400 in order to be ready to continue to operate in Europe by the March 2019 deadline for Brexit to take effect, the person said.

"It's a short-term solution," the person said, adding that Morgan Stanley executives were considering other cities for its permanent EU headquarters.

Morgan Stanley currently employs about 5,000 people in London, but will relocate some traders as well as marketing and administrative staff to Frankfurt.

The bank also plans to shift a smaller number of banking and trader jobs to Paris, Dublin, Madrid and Milan, the person said.

The measures are to be implemented from Aug. 1.

"Certain developments in the market, including that of the Gulf region, as well as our continued efforts to enhance internal efficiencies, has resulted in the review of our network, fleet and crew utilisation," a Jet spokesman said in an emailed statement.

The spokesman said it has made some interim changes to its crew work patterns which will be reviewed in future, in line with network growth.

The sources asked not to be

named due to the sensitivity of the matter.

Jet Airways has struggled to keep a tight lid on costs in one of the world's fastest-growing aviation markets where competition from low-cost carriers such as InterGlobe Aviation's IndiGo and SpiceJet is on the rise and is putting it under pressure.

While India's domestic passenger traffic rose 22 percent in the fiscal year ended March 31, Jet Airways saw only 5 percent growth and its market share fell to 18 percent at the end of June from

about 23 percent two years ago, industry data showed.

The Indian airline, partly-owned by Etihad Airways of the United Arab Emirates, is also facing headwinds in international markets due to economic weakness in the oil-rich Gulf region that has affected air travel and is hurting its revenues.

In two letters written by the company to pilots and reviewed by Reuters, the airline told the pilots to accept the new lower salary by end of July, or look for other opportunities.

Jet Airways cutting junior pilot pay to trim costs

REUTERS, New Delhi

Jet Airways, India's second-largest airline by market share, plans to slash pay of dozens of its junior pilots by as much as 50 percent in a cost-cutting move that could impact up to 400 pilots, according to two sources and letters seen by Reuters.

The airline, in letters sent to pilots earlier this month, has proposed they either take 30-50 percent salary and stipend cuts, or quit, saying it was forced to take such steps as it was "intensely focused on fleet and network rationalisation".

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Chai Huei, regional manager of Johnson Controls; Ali Ahmed Khan, director at Aziz Trade and Engineering Ltd; and M Iqbal Mahmud, managing director, attend the York VRF Technology and Solution Seminar 2017 at the Westin Dhaka hotel. York, a concern of Johnson Controls, introduced their latest generation VRF (variable refrigerant flow) inverter technology based air-conditioning system in Bangladesh. Aziz Trade is the sole distributor of York in Bangladesh.



Md Ridwanul Hoque, head of retail distribution at Midland Bank, and Kabir Uddin Tusher, general manager for marketing and business development at Asgar Ali Hospital, sign a deal at the bank's head office in Dhaka yesterday. The bank's Visa cardholders will enjoy special discount and equal monthly instalment facility at zero interest during payments for in-patient and out-patient medical services at the hospital.