ACI CROP CARE

Shusmita Anis, managing director of ACI Formulations Ltd, poses with the award winning dealers and high officials of ACI Crop Care, a strategic business unit of ACI Formulations, at a dealers' conference in Cox's Bazar on Wednesday.

Opec sees higher 2018 oil demand

REUTERS, *London*

Opec forecast higher demand for its oil in 2018 due to rising global consumption and slower supply growth from rivals, although another jump in the group's output suggested the market will remain in surplus despite efforts to rein in production.

In a monthly report on Thursday, the Organisation of the Petroleum Exporting Countries said the world would need 32.42 million barrels per day (bpd) of its crude next year, up 220,000 bpd from the previous forecast.

The Organisation of the Petroleum Exporting Countries was also upbeat about 2018 economic growth and said oil stocks in developed economies declined in June and would fall further in the United States, a sign the Opec-led supply cut is working.

"With the ongoing growth momentum and an expected continued dynamic in second-half 2017, there is still some room to the upside," Opec said in the report.

"Further declines in U.S. crude stocks are likely, given the record rates at which U.S. refineries are running."

But the 14-country producer group also said its oil output in July came in above the demand forecast, led by gains in Libya and Nigeria, two members exempt from the cuts aimed at eliminating excess supply.

In the report, Opec said its oil output rose by 173,000 bpd in July to 32.87 million bpd, led by the exempt producers plus top exporter Saudi Arabia.

The figures mean Opec has complied 86 percent with its output-cutting pledge, according to a Reuters calculation, down from 96 percent initially reported for June but still high by Opec standards.

Brexit inflation pushing British shoppers to cheaper goods: BoE survey

REUTERS, *London*

British firms are keeping a lid on pay and automating more production while some shoppers, faced with rising prices, are switching to cheaper products, the Bank of England said on Wednesday.

The findings came in a report from around the country that showed Brexit is hurting households, mainly though the weaker pound.

Businesses serving British consumers are suffering compared with export-focused manufacturers, as the weaker exchange rate and higher inflation following last year's vote to leave the European Union feeds through the economy.

Last week BoE Governor Mark Carney said Britain's economy was suffering from uncertainty and higher prices caused by the referendum decision in June 2016, and the central bank cut its forecasts for future growth and wages.

Wednesday's report by the BoE's regional staff -- which fed into last week's forecasts -- showed businesses planned to offer pay awards of between 2 and 3 percent, despite growing recruitment difficulties.

"Overall employment intentions remained modest," the BoE said. "Growth in manufacturing (employment) intentions was stable and was dampened by a stronger focus on productivity improvements and automation over job creation," it added.

The BoE forecast last week that economic growth would slow to 1.7 percent this year and 1.6 percent in 2018, while wages are seen rising by 2 percent and then 3 percent.

After unexpectedly outperforming other big advanced economies last year, in 2017 Britain had its slowest first half of the year since 2012.

Firms reported prices for goods and services rose at the fastest pace in four years, in line with official measures of inflation, and consumer spending growth slowed.

"Some contacts ascribed this to increased caution among consumers, and to consumers trading down to cheaper products or brands," the BoE said.

Sales at consumer services businesses grew at their slowest pace in over four years, while manufacturing exports saw their fastest expansion since 2011. Business investment - which the BoE hopes will offset some of the damage to consumer spending - remained modest, with unspecified "uncertainty" weighing on longer-term plans.

The agents' report on contacts with businesses in June and the first half of July, which includes the period when Prime Minister Theresa May unexpectedly failed to win a parliamentary majority, as well as the start of Brexit talks in Brussels.

REUTERS/FILE

People shop in a store in Britain.

Informal economy not enough to handle Africa's workforce explosion

REUTERS, *London*

Unemployment in Nigeria, sub-Saharan Africa's largest economy, is running at more than 14 percent and climbing; in South Africa, the second largest economy, it is over 27 percent. For youth in both places, it is far more.

This may seem bad enough, but according to International Monetary Fund calculations the sub-Saharan Africa region's jobs travails are in danger of reaching uncharted territory in less than two decades. That is, unless the economies can create jobs for their burgeoning, young population.

"By 2035, sub-Saharan Africa will have more working-age people than the rest of the world's regions combined," the IMF wrote in a blog post this week. "This growing workforce will have to be met with jobs."

This has major implications for the region's economy, its security and wider immigration patterns.

In the past, some of the jobs strain has been taken up by the so-called informal economy which is dominated by street vendors, household workers and off-the-radar cash jobbers.

Typically, these workers pay no tax and do not come under regulation, but they do add to a country's wealth.

The informal sector in sub-Saharan Africa was around 38 percent of gross domestic product in 2010-14, according to the IMF.

This represented a steady decline from nearly 45 percent in 1991-99, possibly a reflection of more formal growth in some parts of Africa. But up to 90 percent of jobs outside agriculture are still in the informal sector.

It is not generally by desire.

The IMF found that a third of new entrepreneurs in sub-Saharan Africa said they were doing what they were doing out of necessity.

"Most would prefer a job in the formal sector, but don't have that option," it said.

The International Labour Organization goes further.

"Some of the characteristic features of informal employment are lack of protection in the event of non-payment of wages, compulsory overtime or extra shifts, lay-offs without notice or compensation, unsafe working conditions and the absence of social benefits," it notes.

"Women, migrants and other vulnerable groups of workers who are excluded from other opportunities have little choice but to take informal low-quality jobs."

For the economy, informal sector work can be both positive and negative for growth. In some cases, for example, it represents entrepreneurship and start-up businesses.

But a lot of it is far from opportune for growth. The informal sector tends to be low productivity work, partly because it attracts lower skilled workers.

Toshiba reports long-delayed earnings, posts $8.8b loss

AFP, *Tokyo*

Toshiba dodged a delisting from Japan's premier stock exchange as it posted long-delayed financial results Thursday, but it lost some $8.8 billion in its last fiscal year over a sea of red ink at its US nuclear unit Westinghouse Electric.

The troubled conglomerate still faces a court battle to sell off its prized memory chip business for around $18 billion with the sale seen as crucial to helping the firm get back on its feet.

There had been growing worries that cash-strapped Toshiba may not make Thursday's deadline to supply financial statements for the fiscal year ended in March, as it was at odds with its auditor over multi-billion dollar losses at Westinghouse. Toshiba had repeatedly delayed the release of its financial statements, saying it needed more time to gauge the impact to its balance sheet.

The massive losses at the division -- largely owing to delays and cost overruns -- have raised doubts about the future of Toshiba, which is still recovering from a 2015 accounting scandal. The firm is also probing whistleblower claims of financial misconduct by senior managers at Westinghouse.

However, auditor PricewaterhouseCoopers Aarata issued a qualified opinion on Toshiba's statements Thursday, saying they were "mostly appropriate", although the two sides disagreed over when some of the losses should be booked.

Toshiba said it had a net loss of 965.7 billion yen ($8.8 billion) for the fiscal year ended March 31 but added that it would swing back to profitability in the current fiscal year, largely owing to a strong performance in the chip division. "With this, we believe our company's earnings reporting has been normalised," Toshiba CEO Satoshi Tsunakawa told a press briefing Thursday.

The firm's shares have already been demoted from the prestigious first section of the Tokyo Stock Exchange over inadequate internal controls. They closed at 292 yen Thursday in Tokyo, up 0.68 percent.

Toshiba still needs to get itself out of negative net worth -- its liabilities exceed its assets -- by March 2018 to avoid being delisted from the Tokyo Stock Exchange.

"Toshiba has made one positive step forward to avoid the imminent risk of being delisted," said Makoto Sengoku, a market analyst at Tokai Tokyo Research Center.

"But this is nothing more than the beginning" of its restructuring. In June, Toshiba said it was talks over the chip unit sale with public-private Innovation Network Corp of Japan, state-backed Development Bank of Japan and US private equity fund Bain Capital, with South Korean chipmaker SK Hynix acting as a lender.

India set to unveil new biofuel policy in bid to cut oil, gas, coal imports

REUTERS, *New Delhi*

India will soon announce a new policy to promote biofuels as part of efforts by the world's third-largest emitter of greenhouse gases to cut imports of fossil fuels like oil, gas and coal, a government minister said on Thursday.

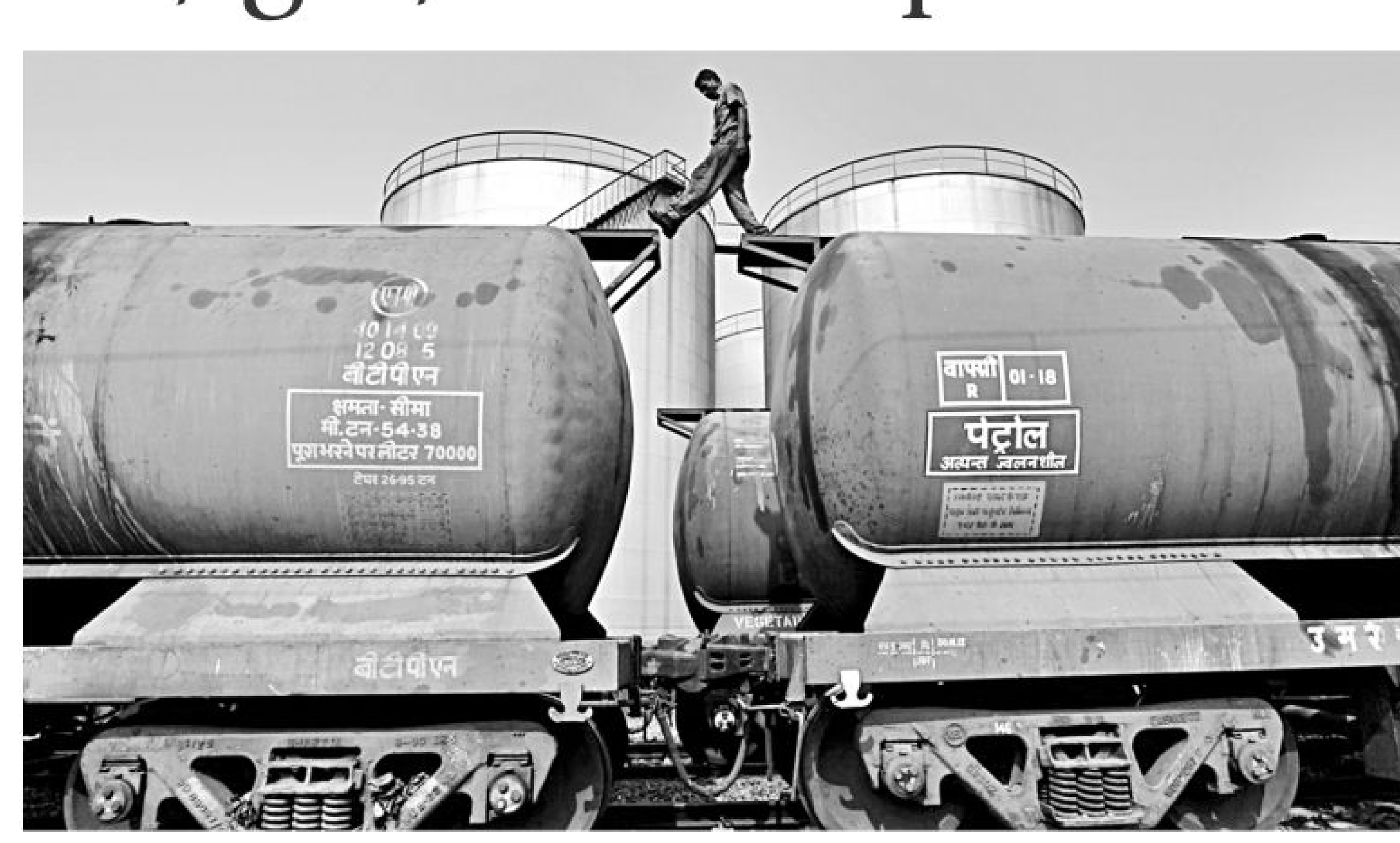
The government aims to develop a biofuel economy worth 1 trillion rupees ($15.6 billion) in the next two years, Oil Minister Dharmendra Pradhan told a conference on renewable energy on Thursday.

India's top three state-owned oil companies have pledged a combined $2 billion to carry out research to develop biofuel technologies and the government has pledged to guarantee a return on their investments, Pradhan said.

"The roadmap to lower crude oil imports is connected to biofuel," Pradhan said. India, the world's third-biggest oil consumer, aims to cut its crude imports by 10 percent by 2022.

New Delhi also plans to lower its carbon footprint by raising the use of natural gas in its energy mix to 15 percent in the next three to four years, up from 6.5 percent currently.

The government has already asked state oil companies to set up ethanol plants at 12 locations over the coming year. Energy consumption in India is expected to grow as the government aims for economic growth of 8-9 percent this fiscal year through March 2018, against around 7 percent in 2016/17.



REUTERS/FILE

A worker walks atop a tanker wagon to check the freight level at an oil terminal in Kolkata.

Indian Oil Corp, the country's top refiner, plans to enhance the capacity of its biofuel refineries to 100 tonnes a day from about 12 tonnes a day in the next two years, Chairman Sanjiv Singh told reporters at the conference.

IOC runs three biofuel plants with an investment of about 30 billion rupees and is looking to increase the number of such plants, Singh said.

India needs private investment in the sector and once the cost of production comes down, the country could see some private sector participation, Singh said.

Separately, transport minister Nitin Gadkari said Prime Minister Narendra Modi's cabinet could soon consider allowing the use of alternative fuel methanol in shipping.

FSIBL

Md Wahidur Rahman, head of Chittagong zone at First Security Islami Bank, launches the bank's agent banking outlet at Kazirhat Bazar of Sonagazi upazila in Feni yesterday. Ali Nahid Khan, head of agent and mobile banking, was also present.

Volkswagen Group, Tata cooperation talks have ended

REUTERS, *Frankfurt*

Cooperation talks between Germany's Volkswagen Group and Tata Motors about joint development of a car for emerging markets, have ended amicably, a Volkswagen Group source said on Thursday.

The collapse of the talks is a further blow to Volkswagen's efforts to develop a cheap vehicle platform for Asian markets, after an earlier alliance with Japanese partner Suzuki also fell apart.

Volkswagen was not immediately available for comment.

In March, Tata Motors and Volkswagen announced a Memorandum of Understanding (MoU) for a long-term partnership to explore joint development of products for customers in India and other markets.

Volkswagen's entry-level Skoda brand has been commissioned by VW to lead the talks with Tata and was exploring a possible entry-level car platform together with the Indian manufacturer, using Tata's AMP vehicle platform as a basis.

Volkswagen's Skoda division dropped the idea of developing the AMP platform on fears that it would need significant further investment to meet future crash-test and emissions requirements said the source, who declined to be named.

"VW-Skoda have decided to drop the idea of partnering with Skoda and AMP and instead explore VW's own MQB platform for possible further synergies," the source said.

Skoda to declined comment. Tata Motors did not immediately respond to a request for comment.