

# Dollar gains further

AFP, London

The dollar extended its gains on Thursday as strong US growth and jobs data helped traders move past North Korea's missile test, while oil rebounded slightly as deadly storm Harvey batters the Gulf Coast.

Stock markets were also up. "Equities remain in rebound mode, extending their bounces as relative geopolitical calm and positive macro data" in China, the United States and the eurozone "fuels fresh risk taking by investors," said Mike van Dulken, head of research at Accendo Markets. But one notable heavy loss among individual companies was French supermarket giant Carrefour.

Its share price dived nearly 13 percent to stand at 17.04 euros in Paris by mid-afternoon after the group published disappointing results for the first half and warned of a drop in earnings for the whole year.

Investors in Europe also reacted to news that eurozone inflation rose closer to the European Central Bank's 2.0-percent target in August.

The fresh data will reinforce hopes that, despite uncertainty and the unknowns of Brexit, the eurozone is emerging from the worst of the financial crisis that began in 2008. "The greenback still seems to be benefiting from yesterday's better than forecast second-quarter GDP reading," said Spreadex analyst Connor Campbell.

The US Commerce Department reported Wednesday the world's largest

economy expanded a forecast-beating three percent in the second quarter.

"The dollar rose 0.4 percent against the pound, forcing it below \$1.29, and 0.3 percent against the euro, leaving the currency under \$1.19 despite a jump in eurozone inflation."

The dollar rallied against the euro and yen -- considered a safe bet in times of crisis -- as the data revived speculation that the Federal Reserve could consider lifting US interest rates for a third time this year.

Eyes will now turn to the release of more jobs figures on Friday, after a closely watched private jobs creation reading that came out on Wednesday also exceeded market expectations.

"Of course, Friday's jobs report is widely regarded as the most important data release each month due to the insight it offers on hiring, wages and therefore potential future inflation pressures," said Craig Erlam at OANDA.

Inflation data that came out Thursday showed only a token increase in July, which could add to disagreements among Fed officials who are split over the need to raise the key interest rate a third time this year.

Wall Street stocks opened higher, with the Dow adding 0.2 percent.

"US stocks are higher in early action, continuing to show resiliency in the face of geopolitical and domestic political concerns, global monetary policy uncertainty and the aftermath of Hurricane Harvey," said analysts at Charles Schwab brokerage.

# Canada's economy grew 4.5pc in second quarter

AFP, Ottawa

The Canadian economy grew 4.5 percent in the second quarter of 2017, the government statistical agency said Thursday, pushing beyond forecasts to the highest growth rate in 15 years.

Analysts were expecting 3.1 percent growth during the period from April to June, but strong consumer spending and a surge in exports buoyed the results. This came after growth of 3.7 percent at the start of the year, when the economy roared back to life to jump ahead of Canada's G7 peers after years of relative stagnation.

This pace continued through June. By comparison, US gross domestic product (GDP) grew 3.0 percent in the latest quarter. "Canada's second quarter let the good times roll, so much so that the country's national humility has almost everyone assuming that this can't last," commented CIBC Economics analyst Avery Shenfeld.

"Just about every source of demand did well," he said, adding: "Odds of a September rate hike by the Bank of Canada are certainly enhanced by this report."

Canada's central bank raised its key lending rate by a quarter of a percentage point last month to 0.75 percent, responding to what it saw as "above-potential" economic growth. It was the first rate increase since 2010.

According to Statistics Canada, household spending in the second quarter of this year rose 1.1 percent, led by outlays on cars. Water, electricity, gas and other fuels, and clothing and footwear also contributed to the increase.

Housing costs, however, fell due to "a sharp decline in ownership transfer costs" of 6.7 percent, said Statistics Canada. A new tax on home purchases by non-residents of Ontario province also came into effect in April, putting downward pressure on real estate prices.

# Shanghai Stock's chairman to visit Bangladesh

STAR BUSINESS DESK

Wu Qing, chairman of Shanghai Stock Exchange, is scheduled to visit Bangladesh and sit with the officials of Chittagong Stock Exchange this month.

The meeting will take place at the Westin Dhaka on September 3, the CSE said in a

statement.

CSE Chairman AK Abdul Momen and Managing Director M Shaifur Rahman Mazumdar will be present at the meeting.

The meeting is the follow-up of CSE officials' visit in China last June. Qing will discuss CSE's proposals regarding strategic investment and mutual cooperation.

# LG packs image, audio features into new flagship phone

REUTERS, Berlin

LG Electronics on Thursday introduced a slimmer version of its top-of-the-line phone, with advanced new camera and voice-activation features aimed at active video users, which it hopes can help it claw back market share lost to rivals.

The LG V30 offers a 6-inch screen that is shorter and narrower than its previous flagship phone, the G6, introduced just six months ago, making it easier to grasp. It is the lightest smartphone with a 6-inch or bigger screen, LG said.

The phone has a 13 megapixel wide-angle camera on the front, for selfies, and a 16-megapixel camera on the back for taking photos or shooting videos. The rear camera has an f/1.6 glass camera lens, the widest

aperture lens of any major smartphone, putting it ahead of the flagship phones of Samsung Electronics, Apple's existing iPhone 7 series and HTC, LG said.

A bigger aperture lets more light in and translates into clearer pictures, a key feature where camera phones have always lagged behind adjustable lens digital cameras.

"LG has pulled out all the stops with the V30 when it comes to specifications and features," said phone industry analyst Ben Wood of CCS Insight, who had been pre-briefed on the device.

"Ultimately it will depend on how much it is prepared to spend on marketing to take the fight to Samsung and educate consumers about how the V30 is different from rival Android 'super phones'," he told Reuters.



EMIRATES

Cabin crews of Emirates pose along with two Arabian celebrities, at the sixth edition of the "Stars on Board" entertainment voyage of the Dubai-based airline. The cruise set sail from Barcelona on August 27 and stopped in Ibiza, Mallorca and Marseille before returning to the Spanish city yesterday.

# Banks get a boost from Eid sales thru' credit cards

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Such offers increase customers' access to consumer items. Not least, the credit card enables them to arrange a large amount of money easily.

"All three parties -- the bank, the merchant and the customer -- are benefitting from the offers," said Khan.

The discounts are boosting the sales of electronics stores and banks are getting commission against the sales, he added.

The manager of Samsung Electronics' Karwan Bazar branch agreed with Khan, saying sales through credit card soared 40 percent last month.

"These credit card offers have made home appliance purchase more

affordable," said Md Shahriar Nur, adding that the discounts will continue until the eve of Eid-ul-Azha.

The offers are to boost credit card use and give convenience to customers, said Mohammad Anwar Hossain, senior vice-president and head of the card division of Mutual Trust Bank.

"Freezers and refrigerators are the topmost priority for customers this festival," said a salesman of Sony Rangs outlet at Paltan in the capital.

The central bank has cut banks' cost for loans for credit card usage with the view to encouraging digital transaction in the economy.

On August 20, the Bangladesh Bank slashed the provisioning requirement

to 2 percent from 5 percent against all unclassified credit card loans under consumer financing.

The move was taken to promote cashless, secured transaction and bring down the cost of operation of the credit card business. The BB increased the loan limit on credit card as well as set the highest limit on interest rate, favouring consumers.

In May, the central bank set the cap at 5 percent plus the highest interest rate on any loan. The move will reduce the average interest rate on credit card to 20 percent from 30 percent earlier.

A month earlier, the central bank doubled the credit card limit to Tk 10 lakh from previous Tk 5 lakh.

# Six big banks join blockchain digital cash settlement project

REUTERS, Zurich

Six new banks have joined a UBS-led effort to create a digital cash system that would allow financial markets to make payments and settle transactions quickly via blockchain technology. The group aims to launch the system late next year.

Barclays, Credit Suisse, Canadian Imperial Bank of Commerce, HSBC, MUFG and State Street have joined the group developing the "utility settlement coin" (USC), a digital cash equivalent of each of the major currencies backed by central banks, UBS said on Thursday.

The group is in discussions with central

banks and regulators and is aiming for a "limited go live" in the latter part of 2018, UBS's head of strategic investment and fintech innovation told the Financial Times.

The Swiss bank first launched the concept in September 2015 with London-based blockchain company Clearmatics, and was later joined on the project by BNY Mellon, Deutsche Bank, Santander and brokerage ICAP.

The USC would be convertible at parity with a bank deposit in the corresponding currency, making it fully backed by cash assets at a central bank. Spending a USC would be the same as spending the real currency it is paired with.

# Toshiba misses target date for chip unit sale, increasing business risks

REUTERS, Tokyo

Toshiba Corp failed to seal a deal to sell its prized chip business by an internal deadline of Thursday, raising doubts about whether it can plug a balance sheet hole in time to avoid a delisting and keep the unit competitive.

The embattled Japanese conglomerate said in a statement it has tried but so far not come to an agreement and it was continuing to talk with three suitors - a consortium led by Western Digital as well as groups led by Bain Capital and by Taiwan's Foxconn.

The sale of the world's No. 2 maker of NAND chips - worth \$17 billion to \$18 billion - has become a contentious battle marked by a slew of revised bids, changing alliances among bidding groups and the threat of legal action from joint venture partner Western Digital.

Despite frayed relations between Western Digital and Toshiba, one source familiar the matter said early this week that their discussions were in final stages, with Steve Milligan, the chief executive of the U.S. firm, in town to hammer out details.

Advertisement But the two sides are struggling to come to an agreement over the U.S. company's future stake in the business, several sources have said.

Toshiba was working under creditor pressure to strike a deal by the end of the month, sources with direct knowledge have said, as any later would make it difficult to gain regulatory approvals before its books closed in March.

Coverage

Q&A - Twists and turns in Toshiba's chip business sale

Q&A - Twists and turns in Toshiba's chip business sale But in a sign that an agreement might not be too far off, Toshiba Chief Executive Satoshi Tsunakawa told the firm's creditor banks on Wednesday: "Please give me an extra week or so," according to separate sources familiar with the sale process.

The sources, who declined to be identified as they were not authorised to speak on the matter, said Tsunakawa did not say which bidding group was favoured but repeated his determination to get a deal done and dusted by March.

Without the money to cover billions in liabilities at it bankrupt nuclear unit Westinghouse, Toshiba would likely have to book negative net worth for a second year running, which could result in it being delisted.

Just as importantly, delays are set to only make rival Samsung Electronics' upper hand in NAND chips stronger, allowing it to capitalise on a boom in demand for semiconductors and extend its lead in advanced 3D chips.

"Toshiba must build a factory in order to satisfy demand for 3D NAND, but right now Toshiba doesn't have the money," said Lee Kyu-jin, senior analyst at Ebest Investment & Securities.

"Meanwhile, Samsung is showing drive in the 3D NAND market, including building a factory dedicated to 3D NAND in order to dominate demand."

# Coin offerings create financial risks: China industry body

REUTERS, Shanghai

Launches of new digital currencies, known as initial coin offerings (ICOs), have shaken up social and economic order, created hidden financial risks, and in some cases may amount to fraud, China's National Internet Finance Association said.

ICO investors should be wary and report any suspected crimes to police, the state-backed association said in the latest sign of growing official concern about ICOs.

On Monday, the financial magazine Caixin reported regulators were preparing new rules on digital coin offerings and may ban them until the rules are in place.

China had seen 65 ICOs and 2.62 billion yuan (\$397.19 million) raised from 105,000 individuals, state-run Xinhua reported in July citing data from a government organization that monitors online financial activity.

The rise of coin offerings has "disrupted social and economic order and created relatively large hidden risks", said the association's announcement, posted on its website on Wednesday.

# DSE benchmark index crosses 6,000 points

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According to the analysis, 11 sectors' return was positive this week compared to the previous week.

Ceramics, banks and financial institutions triggered the most in return generation. Engineering, IT and jute sectors fell.

Standard Ceramics, an A-category share, gained nearly 40 percent, the highest among all stocks traded last week.

Monno Ceramics, a B-category share, posted a 36-percent gain followed by three Z-category stocks—Zeal Bangla, Dula Mia Cotton and Imam Button—whose prices surged 28 percent, 26 percent and 25 percent respectively.

BBS Cables traded the most although no price sensitive information about the company was disclosed. Fortune came in second, followed by IFIC Bank and AB Bank.

# All factories paid Eid bonuses: BGMEA

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Depending on the types of problems in the respective factories, the payment to the workers was made through borrowing from banks and sales of land and machinery, Rahman said.

Tough measures were taken to pay wages and allowances because the image of the entire sector is tarnished due to the failure of a handful of factories out of the BGMEA's 3,200 members, he said.

"Many owners are now unable to run their factories for various reasons. An exit policy is required urgently so that they can leave the business," Rahman said, seeking the prime minister's intervention in this regard.

He said 90 percent factories announced Eid vacation as of yesterday, while the rest will be closed today.

# Eid brings no cheer for long-haul buses

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"Truly speaking, we do not do good business during Eid, rather our operating expenses rise ahead of the festival as the rate of extortion at various points goes up. Nowadays, the extortion is termed as tips," said Ghosh.

The operators said the surge in traffic would have been beneficial had there been travellers from both ends before and after Eid.

Sohel said the surge in traffic movement raises the income of operators who neither hesitate to take extra passengers nor care about the sufferings caused to passengers and the damage to reputations.

"However, this is an opportunity for us to augment our brand value by pro-

viding better services to travellers. If we cannot serve them better now, they will not prefer us for the rest of the year," said the chief of the 200-fleet Shohagh Paribahan, which also owns 50 air-conditioned buses.

Sohel, also the chairman of Bangladesh Bus-Truck Owners Association, said not all bus operators increase fares during Eid. "The percentage of transporters charging higher fares is insignificant," he said.

Mosharrif Hossain, general manager of Hanif Enterprise, the largest inter-district bus operator, said inter-district operators witnessed increased demand also in December, when families visit homes or holiday spots after the children's annual exams.

On a regular day, 5,000 buses leave for various districts from Dhaka and an equal number of vehicles return to the capital loaded with passengers to their full capacity.

Truckers, however, do good business during Eid because of increased demand for carrying cattle from suburbs to cities, said Rustum Ali Khan, general secretary of the Bangladesh Truck and Covered Van Owners Association.

Roads carry over 88 percent of the total passenger traffic and 80 percent of total freight traffic in Bangladesh.

Waterways and rail carry the rest, according to a report of the planning commission that quoted a publication of World Bank.

# Social obligation fund from telcos crosses Tk 1,200cr

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The ICT division has recently sought financial support from the fund to provide 772 unions with internet connectivity through optical fibre cables by the end of 2018.

But the proposal did not get positive response as the telecom division opposed to the call, said a top official preferring anonymity who is involved in managing the fund.

Mobile operators said they have so far covered 99 percent geographical areas with mobile network, but for better data service, especially 4G, fibre optic cable connectivity is a must.

Earlier, the state-run National Telecom Monitoring Cell, administered by an intelligence agency, had also sought an allocation from the fund to maintain discipline in the sector.

The government formed a high-profile committee headed by the telecom minister for the utilisation of the fund. For quick results, the state minister for telecom has recently been added to the panel.