PRIME BANK

Mamur Ahmed, head of sales of Prime Bank, and Iqbal Mahmud, managing director of Mahmud Consortium, exchange documents after signing a payroll agreement recently. Under the deal, the employees of Mahmud Consortium will enjoy privileged services from the lender. Md Touhidul Alam Khan, a deputy managing director of the bank, was also present.

US wants to remove 'unnecessary' barriers to self-driving vehicles

REUTERS, *Washington*

The US National Highway Traffic-Safety Administration said Friday it is looking for input on how it can remove regulatory roadblocks to self-driving cars.

The auto safety agency said in a report that it wants to find any "unnecessary regulatory barriers" to self-driving cars "particularly those that are not equipped with controls for a human driver."

The agency also wants comments on what research it needs to conduct before deciding whether to eliminate or rewrite regulations. But it could take the agency years to complete the research and finalize rule changes, and advocates are pushing Congress to act.

NHTSA said in a statement it plans to issue a formal notice in the "near future requesting comment" on the hurdles. The agency hopes to make the notice public by the end of November.

Automakers must meet nearly 75 auto safety standards, many of which were written with the assumption that a licensed driver will be in control of the vehicle. The agency said last year that current regulations pose "significant" regulatory hurdles to vehicles without human controls.

In early October, a US Senate committee unanimously gave the green light to a bill aimed at speeding the use of self-driving cars without human controls and would allow the agency to waive requirements.

General Motors Co, Alphabet Inc, Ford Motor Co and others have lobbied for the landmark legislation, while auto safety groups urged more safeguards and have pledged to keep fighting for changes.

The Senate Commerce Committee approved the bill, and the US House passed a similar measure last month.

Automakers would be able to win exemptions from NHTSA for safety rules for up to 80,000 vehicles annually within three years.

Under the Senate measure, NHTSA would have to write permanent rules on self-driving cars within a decade.

Lower gold prices fail to spark post-Diwali lull in demand

REUTERS, *Bengaluru/Mumbai*

The physical gold market remained quiet in most Asian centres this week despite a drop in prices with India witnessing a lull in fresh purchases as key festival season demand cooled off in the world's second biggest consumer.

Gold prices in India slipped to 29,209 rupees per 10 grams on Friday, the lowest level in about two months.

Prices in India were at a premium of up to $3 an ounce over official domestic prices this week, up from $2 last week. The slight increase in premiums was due to traders looking to cover for purchases made when rates were higher.

"After Diwali, demand falters every year. This year, even during Diwali demand was lower than usual," said Daman Prakash Rathod, a director at MNC Bullion, a wholesaler in Chennai.

Last week, Indians celebrated the Diwali and Dhanteras festivals, when buying bullion is considered auspicious. "Jewellers have to replenish inventory after Diwali sales. Since prices are falling, they will do it very slowly," said a Mumbai-based dealer with a private bank.

"In the last few days the government was selling gold bonds. Some investors are giving preference to bonds over physical gold due to tax benefits."

Meanwhile, benchmark spot gold prices were headed for an about 1 percent weekly decline, having hit a near three-month low of $1,264.15 on Friday.

The drop in rates, however, failed to reignite interest for gold in most Asian hubs.

"In Singapore, several businesses in the region referred to as 'Little India' have said that the festival sales were not great and that it had come down when compared to the Diwali season in the last two years," said Brian Lan, managing director at dealer GoldSilver Central in Singapore.

"Physical demand didn't really pick up despite lower prices. While we did have businesses and individuals calling us today due to the price drop, prices had been stagnant for the rest of the week."

Premiums of 50 cents were being charged over the benchmark in Singapore this week, unchanged from the previous week, while in Hong Kong, they rose to the 60 cents to $1.30 range, as against 50 cents last week.

"There are sporadic large transactions, by buyers who take advantage of the price level and the low premiums, but overall, the market is quiet," said Joshua Rotbart, managing partner of J. Rotbart & Co in Hong Kong.

In top consumer China, premiums of $6.5-$10 an ounce were being charged over the benchmark, compared with $8-$12 in the previous week.

HUAWEI

Models unveil the new Huawei nova 2i smartphone at an event in Dhaka recently. From November 6, the phone will be available at all Huawei brand shops at Tk 26,990.

Sheikh Md Monirul Islam, chief external and corporate affairs officer of bKash, and Emon Kalyan Dutta, head of sales, attend a workshop on anti-money laundering and combatting financing of terrorism for the mobile financial service provider's distributors in Dhaka North region, at the Hotel Lakeshore in Dhaka on Thursday.

BKASH

Things to know about the ECB's change of course

AFP, *Frankfurt Am Main*

The European Central Bank decided on Thursday to slash its massive support for the eurozone economy by half from January as it sees economic recovery stretching into the future.

We ask what the move means for ordinary citizens and for governments around the eurozone.

What has the ECB done until now?

The ECB decided in 2015 that its existing crisis-fighting tools -- adjusting interest rates and cheap lending to banks -- were not powerful enough.

It feared that deflation was about to set in -- a damaging spiral of decreasing prices that encourages people to hoard money rather than make purchases, in turn hobbling the economy.

Most central banks around the world aim for a low, but consistent level of inflation to keep such risks at bay.

So governors decided to begin buying bonds, hoping to drive investors' money out of safe government debts into riskier investments and lending that could help power economic growth.

Last year, the ECB stepped up the programme and also started buying corporate bonds for the first time.

What has it done this week?

The ECB announced that it will cut bond-buying from 60 to 30 billion euros ($35 billion) per month from January until September, leaving open the end date of the so-called "quantitative easing" scheme.

The bank already reduced purchases from 80 to 60 billion per month last April. Not everyone in the eurozone is happy about the decision to leave the easy-money tap open for the foreseeable future.

Jens Weidmann, the hawkish president of Germany's powerful Bundesbank central bank, on Friday said the ECB should have signalled "a clear end" to the purchases.

A member of the ECB's governing council, Weidmann has long been critical of the scheme, which he says risks overstepping the bank's mandate.

"Such purchases blur the lines between monetary and fiscal policy," he repeated on Friday.

But most policymakers argue that their interventions have boosted growth and ground down unemployment to its lowest level in eight years, justifying withdrawing some support for the economy.

But eurozone inflation, which stood at 1.5 percent in September, still remains short of the ECB target of just below 2.0 percent.

What impact did the ECB's move have?

Stock markets in the eurozone climbed higher and the euro sank against the dollar after the ECB's decision on Thursday.

The lower euro is especially welcome news for the ECB, as it favours growth by making eurozone exports cheaper and boosts inflation by making imports more expensive.

What does this mean for ordinary people?

In short: not much -- yet. The decision on Thursday was closely-watched by investors around the world. But the ECB's most direct way of affecting the general public is through interest rates, which it last raised in 2011.

That hike is now widely regarded as a mistake that braked the economy, making present central bank president Mario Draghi wary of a repeat performance.

On Thursday, the bank reiterated a promise not to raise rates until "well after" it finally ends its bond-buying scheme. Analysts don't expect the first increases until mid to late 2019.

With rates holding at historic lows, savers will continue to complain their thrift isn't paying off, while borrowers will enjoy low costs when they take out a mortgage or other loan.

How about governments?

When ECB bond-buying finally comes to an end, governments could find borrowing becomes more expensive. Without the central bank as a buyer of last resort, investors will demand higher returns on lending to eurozone treasuries to compensate them for the increased risk.

For now, bond markets have welcomed the ECB announcement of extended bond-buying, with the yield -- the return investors can expect -- on German debt falling.

How does the ECB compare to other central banks?

S&P raises Italian debt rating as economy recovers

AFP, *Washington*

The ratings agency S&P on Friday raised Italy's sovereign rating, citing the country's recovering economy as well as rising investment and job creation.

Former Italian Prime Minister Matteo Renzi, who stepped down in December after the failure of a constitutional reform referendum, welcomed the news.

"After years, at last, S&P raised Italy's rating," he said on Twitter. "Work pays off. Things work out over time."

The ratings agency kicked Italy's credit rating up a notch, from BBB- to BBB -- still lower-medium grade, but with a stable outlook.

S&P said the Italian economy was expected to grow 1.4 percent this year and before averaging 1.3 percent GDP into 2019. In addition to keeping its budget deficit at 2.1 percent of GDP or below, Italy has also begun bringing down its sovereign debt levels.

"The resolution of the crises related to Monte dei Paschi di Siena and two regional Veneto banks, and the quickening disposal of nonperforming loans in the banking system, support Italy's improved economic outlook," S&P said in a statement.

Trump to announce new Fed chair next week

AFP, *Washington*

US President Donald Trump said he will name the next chair of the Federal Reserve next week, a choice that could have far-reaching implications for his economic agenda.

"It will be a person who hopefully will do a fantastic job," Trump said in a video posted on Instagram, advertising that he would announce his choice "sometime next week."

"I have somebody very specific in mind," the president said. "I think everybody will be very impressed."

White House spokesperson Sarah Huckabee Sanders had earlier in the day confirmed the president's plans without providing detail. In the running are current Fed chair Janet Yellen, who has kept benchmark interest rates low, fueling Trump's much-vaunted stock-market surge.

But Stanford University economist John Taylor, who is known to favor higher interest rates, is also a possible pick.

That tighter monetary policy has supporters across the Republican party, which has traditionally been concerned about preventing inflation.

Another candidate, Kevin Warsh, is a former Fed governor, a proponent of higher interest rates and a son-in-law of Trump associate Ronald Lauder.

UBS pockets 14pc profit rise

AFP, *Zurich*

UBS said Friday its net profit climbed 14 percent in the third quarter to 946 million Swiss francs (814 million euros, $946 million) and Swiss banking giant expressed confidence about improving market conditions.

That beat the 896 million Swiss francs expected on average by analysts surveyed by Swiss financial news agency AWP.

UBS's revenues climbed 2.1 percent to 7.1 billion, costs were squeezed 3.7 percent to 5.9 billion.

The leader of the Swiss banking sector has now reached 1.9 billion out of its target of 2.1 billion Swiss francs in cost savings this year.

"We again saw good results across our business divisions with Asia Pacific as an important driver of profitable growth," chief executive Sergio Ermotti said in a statement.

Like a number of its peers, UBS in recent years has been struggling in recent years to adjust to the ultralow interest rate environment along with lower volatility leading to a drop off in trading by clients.

It noted plenty of clouds on the horizon, such as geopolitical tensions, high asset prices, uncertainty over central bank monetary policy and changes to banking regulations, but UBS expressed confidence it "is well positioned to mitigate these challenges and benefit from further improvements in market conditions."

The bank's share price rose 0.7 percent in morning trading while Switzerland's SMI index was up 0.3 percent.

William J Collis, chief of party of Safe Aqua Farming for Economic and Trade Improvement project of Winrock International, and Malcolm Dickson, country director of WorldFish, sign a partnership agreement in Dhaka on Thursday. WorldFish as a technical partner will help in shrimp and prawn disease diagnostic and surveillance activities under the project funded by the US Department of Agriculture.

WINROCK INTERNATIONAL