

# Eurozone economy 'booming'

AFP, Brussels

Business rose sharply across the eurozone in November, a key survey showed Thursday, as job creation hit the fastest pace in 17 years and the economic recovery in Europe gained steam.

Analysts said the rise in the headline readings of the survey by data monitoring company IHS Markit was a confirmation that the eurozone economy was resilient against the shock of Brexit and would mean a banner year for economic growth.

"The message from the latest Eurozone PMI is clear: business is

booming," said Chris Williamson of IHS Markit. Williamson added that jobs "are being created at the fastest rate since the dot-com boom ... (and) firms are struggling to meet demand."

A purchasing managers' index (PMI) compiled by Markit rose to 57.5 in November after 56.0 in October, the group said in a statement. Anything above 50 is in positive territory.

In a rare breakthrough, France surged to its highest growth pace since May 2011, well above expectations and beating Germany for the fourth time in five years.

Given the latest evidence of

healthy growth and falling unemployment, the ECB will be comforted in its decision in October to slash by half the mass bond-buying it has used to buoy the eurozone.

But Williamson warned that turbulence could be coming ahead, though he did not specifically mention the political deadlock in Germany, the bloc's biggest economy.

"There are signs that political uncertainty appears to have subdued business optimism a little, but the broad-based nature of the upturn... suggests the eurozone will see a strong end to 2017 and enter 2018 on a firm footing," he said.

## Zimbabwe's economic situation 'very difficult': IMF

REUTERS, Johannesburg

Zimbabwe's economic growth is threatened by high government spending, an untenable foreign exchange regime and inadequate reforms, a senior International Monetary Fund (IMF) official said.

Zimbabwe was once one of Africa's most promising economies but suffered decades of decline as former President Robert Mugabe pursued policies that included the violent seizure of white-owned commercial farms and money-printing that led to hyperinflation.

Mugabe, 93, resigned on Tuesday after

nearly four decades in power following pressure from the military, the ruling ZANU-PF party and the general population.

New ZANU-PF leader Emmerson Mnangagwa is expected to be sworn in as Zimbabwe's president on Friday.

Zimbabwe has not been able to borrow from international lenders since 1999 when it started defaulting on its debt, and has \$1.75 billion rand in foreign arrears.

"The economic situation in Zimbabwe remains very difficult," Gene Leon, IMF's mission chief for Zimbabwe said in a statement to Reuters late on Wednesday.

"Immediate action is critical to reduce

the deficit to a sustainable level, accelerate structural reforms, and re-engage with the international community to access much needed financial support."

Leon said Zimbabwe should resolve arrears to the World Bank, African Development Bank and the European Investment Bank, among other reforms, for the IMF to consider future financing request from the country.

Zimbabwe should also be ready to implement strong macroeconomic policies and structural reforms to restore fiscal and debt sustainability, Leon said.



Md Anwarul Azim Arif, chairman of Social Islami Bank, cuts a cake to celebrate the bank's 22nd anniversary at its corporate office in Dhaka. Quazi Osman Ali, CEO, was present.

## China's trade with North Korea sinks in October after UN sanctions

REUTERS, Beijing

China's trade with North Korea fell to \$334.9 million in October, its lowest since February as imports sank to their weakest in years, data showed on Thursday, the latest sign that tough new sanctions cut business with its isolated neighbour.

The total is down almost 20 percent from September and compares with \$525.2 million a year ago, according to customs' data.

The data represents the first whole month since the latest United Nations penalties came into force on Sept. 5, banning Pyongyang from selling coal, iron ore, lead, lead ore and seafood abroad.

The world's second-largest economy bought goods worth \$90.75 million from North Korea in October, down sharply from \$145.8 million in September and the lowest on government records going back to January 2014, data from China's General Administration of Customs shows.

Exports plunged to \$244.2 million, the weakest since February. That compares with \$266.4 million in September and \$286.9 million in October last year.

Trade between the two countries has slowed this year, particularly after China banned coal purchases in February.

But the pace and scale of the drop suggest the most recent curbs are hurting Pyongyang's ability to sell some critical commodities to one of its chief trading partners.

The UN estimated the latest ban, imposed after its two intercontinental ballistic missile tests in July, would slash by North Korea's \$3-billion annual export revenue by a third.

The data is also likely to underscore Beijing's strongly-stated stance that it is rigorously enforcing UN resolutions aimed at reining in Pyongyang's missile and nuclear programmes.

## French business confidence at near 10-year high: survey

AFP, Paris

French business confidence hit a near 10-year-high in November, French statistics agency INSEE said on Thursday, providing a boost for President Emmanuel Macron.

The confidence indicator, based on a survey of French business people, rose two points in November to 111, its highest level since January 2008 and well above the long-term average of 100 points.

## Bankrupt owner laments ignoring compliance

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Locals said Hossain has also been trying to sell off a piece of land near the Badda factory. A signboard confirmed this during a visit to the factory site yesterday.

"Had not the fire occurred, the export value of my group would have exceeded \$100 million by this time," said the 48-year old man.

Hossain said he got his Bachelor of Commerce degree in 1988 and came to Dhaka from Jamalpur the next year to get a job and change his fate. He got a job as a senior officer the same year in a small export-oriented garment factory in Gulshan.

Within some years he got promoted as a general manager before establishing a small factory of his own in Gulshan 1 in 2004.

"My business flourished very fast as the buyers favoured me a lot. The

profit was also very high, although it has declined to its lowest now due to fierce competition among manufacturers," said Hossain.

He plans to get back into the business from January next year but declined to elaborate.

He said he would first repay debts with banks and other relatives and with the Bangladesh Garment Manufacturers and Exporters Association, which paid the salaries at one of his units while he was in prison.

The consequences of Hossain's ignorance to compliance are much bigger as Bangladesh, the second largest garment exporter after China, has been suffering from an image crisis in the international community.

Not only that, the Rana Plaza building collapse in Savar, the nation's deadliest, just six months after the fire triggered the US to

withdraw duty-free benefits for the country under the Generalised System of Preferences.

Moreover, the European Union retailers and brands formed the Accord while the North American retailers and brands formed the Alliance to inspect and remediate garment factories of Bangladesh.

Trade union leaders marked the fire's fifth anniversary with demands that Hossain be handed down exemplary punishment for the lives lost due to his ignorance.

Mushrefa Mishu, president of Garment Sramik Oikko Forum, held a press conference demanding the punishment.

The two industrial incidents caused innumerable losses. Tazreen Claims Administration Trust has paid around Tk 17 crore to 582 beneficiaries of the victims.

## Govt seeks better data on aid going to NGOs: Muhith

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They called for scrutinising the earnings and expenditures of the NGOs.

On Monday, Md Shahadat Hossain, acting director general of NGO Affairs Bureau, said the government agency regularly monitors the activities of the NGOs operating with foreign donations.

According to the bureau, 2,565 NGOs now run with foreign funds. Bureau officials, however, said some 1,400 of them are operating in full swing while the rest are struggling because of a fund crisis.

"It is surprising that there is such a gap of information," Iftekharuzzaman, executive director of Transparency International Bangladesh, told The Daily Star on Monday.

"All international funds, received and spent by any registered NGO in Bangladesh, are strictly subject to approval of the NGO Affairs Bureau under the Prime Minister's Office."

## Dhaka stocks close higher

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Investors are injecting fresh funds following the declaration of earnings by companies that cheered up the market in four out of five trading days of the week, insiders said. Daily transaction was more than Tk 800 crore.

Among the large cap sectors, textile, engineering, and fuel and power gained 2.20 percent, 1.64 percent and 1.32 percent respectively.

The average daily turnover rose 6.2 percent compared to the previous week. Meanwhile, the average trade volume also increased by 13.9 percent and the total number of trades saw a 10.7 percent hike.

The top gainers of the week were AB Bank, Shympur Sugar and ICB Islamic Bank, while the biggest losers were Saif Power, Oimex and Desh Bandhu. LankaBangla Finance topped the weekly turnover list followed by AB Bank, Dhaka Bank, Shahjalal Bank, Square Pharma, City Bank and FAS Finance.



State Minister for Finance MA Mannan speaks at the International South-South and Triangular Cooperation Conference on "Leveraging Innovations from the Global South to Support Rural Transformation" at Brasilia, Brazil.

BANGLADESH EMBASSY IN BRAZIL



Archie Norman, chairman of Marks and Spencer; Steve Rowe, CEO, and Jill McDonald, managing director for clothing, home & beauty, pose with Reaz Uddin Al-Mamun, managing director of Epyllion Group, and Junaid Abu Salay Musa, a director, during their visit to the group's garment and textile units on Wednesday.

## Robi counts Tk 46.9cr losses in Q3

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"After merging with Airtel, Robi has expanded its network to every corner of the country," he said.

Ahmed said with customers' growing trust on Robi's network and services, Robi and Airtel have continued to be the most preferred brand among subscribers.

In the past six months, Robi's active subscriber base expanded by 13.8 percent to 4.12 crore, and 57.7 percent of them are connected to the internet, according to the quarterly report of Axiata Group, the majority shareholder of Robi.

Robi, which merged with Airtel in November last year, reported 79.7 percent year-on-year data revenue growth to Tk 350 crore in the third quarter.

The data revenue growth was propelled by significant investments in network coupled with customer-oriented data offerings, according to a statement of Robi.

Of the operator's subscribers, 32 percent use smartphones and consume 630 megabytes of data a month on an average.

Ahmed said Robi is continuously introducing innovative digital solu-

tions enabling customers to use different online and social media platforms at affordable prices.

The operator's voice revenue grew 31.7 percent year-on-year in the third quarter.

Robi is investing aggressively to fast-track 3G network expansion and improve 2G network quality for better customer experience both in voice and data services.

The company's capital investment amounted to Tk 340 crore in the quarter. It contributed Tk 670 crore to the government coffers in the July-September period.



AK Abdul Momen, chairman of Chittagong Stock Exchange, and Md Nasir Uddin Chowdhury, managing director of LankaBangla Securities Ltd, attend a deal signing ceremony to introduce virtual trading simulator, which will offer real time trading experience.



Jakaria Shahid, chairman of Hexagon Technologies Ltd, a subsidiary of Edison Group, and Kang Beiling, chairman of SYS, attend a deal signing ceremony at Edison's head office in Tejgaon, Dhaka yesterday. Hexagon will set up a fully automated ceramic brick-making factory with the help of SYS.

EDISON GROUP