



A Rouf Chowdhury, chairman of Bank Asia and Bank Asia Foundation, poses with the recipients of Bank Asia Higher Studies Scholarship-2017 from Malkhanagar, Sirajdikhan, Baligaon and Nimtola in Munshiganj, Rohitpur of Keraniganj and Agla Bazar of Nababganj. Bank Asia Foundation organised the event at Malkhanagar Degree College auditorium in Munshiganj. Md Arfan Ali, president and managing director, was also present.

Dollar heads into 2018 on a weaker note

AFP, Hong Kong

The dollar suffered fresh pressure on Friday as traders cash in the recent gains fuelled by Donald Trump's tax cuts, while most Asian equities were on course to end a strong year on a positive note.

Asia's biggest markets have enjoyed huge gains over the past year -- with Hong Kong up more than a third and Tokyo nearly 20 percent higher -- fuelled by expectations that Donald Trump would push through business-friendly measures.

And while he suffered a series of stumbles he managed to finish 2017 with one major legislative achievement -- across-the-board tax cuts that include the slashing of corporate rates.

Focus is now on his programme for the next 12 months, with an infrastructure spending bill promised, though there are warnings of headwinds with his low poll ratings and mid-term elections in November that could see his Republicans lose the Senate.

However, despite the positive news

from Federal Reserve interest rate hikes, a stronger economy and improving employment, the dollar has been unable to break away from its peers.

On Friday the euro was at one-month highs and is up more than 13 percent over the year, while the pound was also in the ascendancy having added nine percent since January. Most high-yielding currencies including the Australian dollar, South Korean won and Indonesian rupiah were up Friday. "Whether it's month-end flow or simply that there are no catalysts to buy dollars at the moment that traders can grasp doesn't matter," Greg McKenna, chief market strategist at AxiTrader.

"What matters is that for months now, the dollar has been unable to capitalise on its improved economic outlook, on the tightening plans of the Fed and on the reality that... there is clear policy and timing divergence between the Fed and other central banks."

In holiday-thinned share trading Hong Kong was up 0.2 percent and Shanghai ended 0.3 percent higher.

China temporarily waives taxes to get foreign firms to stay

AFP, Beijing

China will temporarily waive income taxes for foreign companies on profits they reinvest in the country as Beijing battles to retain foreign firms and investment.

The finance ministry announced Thursday the new tax policy, which will apply retroactively from January so businesses will be able to take advantage of the exemption for this year's taxes.

The new incentives for foreign business to keep their earnings in China follow the passing last week of a corporate tax overhaul in the United States.

The US reform will lower the tax rate for most corporations to 21 percent. Businesses in China pay 25 percent.

The temporary exemption "will create a better investment environment for foreign investors and encourage foreign investors to sustain their investments in China," a spokesman for the ministry of commerce said. The policy announcement also comes as China has struggled with capital flight and tightened capital controls this year to stem the outflow of money.

But foreign companies have long complained of the onerous bureaucracy they must navigate, barriers to market access, and policies that favour local firms.

The new tax incentives aim to make China more attractive but come with a slew of restrictions. To be eligible, the profits must be invested in industries and activities where the Chinese government encourages foreign investment: manufacturing, services, research and development.

Locations in the west of the country are also prioritised for development.

Companies have three years to apply for the exemptions after paying tax.

Beijing has been keen to retain foreign investment after it fell in 2016. But commerce ministry statistics show that foreign direct investment ticked upwards for the first 11 months of this year, when compared with last year.

Vice Finance Minister Zhu Guangyao told a Phoenix TV finance forum earlier this month that China could not ignore the spillover effects from the change in tax policy of the world's largest economy. China must carry out policy trials, he said.

German inflation beats forecasts in December

AFP, Frankfurt Am Main

German inflation slowed slightly in December, but still beat forecasts for the second month in a row, official data showed Friday, in an encouraging sign for the European Central Bank.

Consumer prices in Europe's biggest economy rose by 1.7 percent year-on-year this month, according to figures from federal statistics authority Destatis, faster than the 1.5-percent growth predicted by analysts.

But the figure was still 0.1 percentage point lower than in November.

The Harmonized Index of Consumer Prices -- the ECB's preferred yardstick -- also slipped by 0.2 percentage point to 1.6 percent, Destatis calculated.

As the 19-nation eurozone's biggest economy, Germany is closely watched as a bellwether for the currency bloc, where the ECB has intervened massively in the economy to push inflation towards its goal of just below 2.0 percent.

Although German inflation has flirted with the target in recent months, inflation across the whole eurozone remained sluggish at 1.5 percent in November.

Earlier this year, the ECB responded to a pick-up in eurozone growth by deciding to cut its monthly bond purchases by half, to 30 billion euros (\$36 billion) from January.

Policymakers remain unsure when the bloc will produce "self-sustained" inflation without the central bank's support.

Dow drifts to record as bitcoin tumbles on South Korean curbs

AFP, New York

The Dow drifted to a fresh record Thursday in sleepy holiday trading, while bitcoin prices tumbled after South Korea announced new restrictions on cryptocurrencies.

Most of the 30 companies in the Dow Jones Industrial Average advanced in a quiet session, the latest record on the heels of dozens of earlier all-time highs in US equities this year.

US stocks have been boosted all year by an improving labor market, anticipation of the massive US tax cut plan that was signed into law last week by President Donald Trump, and improving economic conditions in other key regions.

With many traders on holiday, the week between Christmas and New Year is traditionally a sleepy time for markets, among the least traded period of the year. That low volume can cause increased volatility.

"There wasn't much trading excitement in the stock market because there was a dearth of market-moving news, as well as a dearth of participants," Briefing.com said.

"For the third day running, extremely light trading volume reflected the fact that many market participants have checked out until the new year."

In Europe, London's FTSE ended the session flat, while Frankfurt's DAX 30 index lost 0.7 percent and the Paris CAC 0.6 percent as the euro strengthened on the dollar.

Earlier in Asia, Hong Kong rose 0.9 percent and Shanghai gained 0.6 percent, while Sydney put on 0.3 percent.

But Tokyo finished 0.6 percent lower after an afternoon sell-off fuelled by the strengthening yen, as traders fret over another possible North Korean missile test.

Bitcoin sank under \$14,000 after South Korea said it would ban anonymous trading of virtual currencies and crack down on links to money laundering activities.

The announcement came as the hyper-wired market emerged as a hotbed for cryptocurrency trading, accounting for some 20 percent of global bitcoin transactions -- about 10 times the country's share of the world economy.

The new rules announced by Seoul include a ban on opening anonymous cryptocurrency accounts and new legislation to allow regulators to close virtual currency exchanges if necessary.

The digital unit has seen stratospheric growth this year, rising more than 25-fold from January to hit a record around \$19,500 earlier this month, according to Bloomberg figures.

US moves to reverse regulations for offshore oil drilling

AFP, Washington

The US government on Friday published proposed new regulations on offshore oil drilling that would reverse safeguards put in place following the Deepwater Horizon environmental disaster in 2010.

The proposed rules ease requirements on safety and pollution prevention equipment for offshore rigs to promote more drilling, according to a statement from the Bureau of Safety and Environmental Enforcement (BSEE).

"By reducing the regulatory burden on industry, we are encouraging increased domestic oil and gas production while maintaining a high bar for safety and environmental sustainability," said BSEE director Scott Angelle.

"I am confident that this revision of the Production Safety Systems Rule moves us forward toward meeting the administration's goal of achieving energy dominance without sacrificing safety."

The bureau said the changes, published in the Federal Register on Friday, would save the industry at least \$228 million over 10 years as it reduces "unnecessary" industry compliance burdens, according to the initial analysis.

The public has 30 days to comment on the rule changes. In April, the administration of President Donald Trump ordered agencies to review rules that place undue burdens on the oil industry, as part of an overall bid to reduce regulations on business.

The BSEE was created in October

2011 in response to the Deepwater Horizon tragedy in April 2010, which killed 11 people and sent millions of barrels of crude oil pouring into the Gulf of Mexico. The leak gushed for nearly three months before it was stopped.

But the industry, led by the American Petroleum Institute, has long complained of the "flawed and costly approach" of the new regulations.

The BSEE said one out of every six barrels of oil produced in the United States comes from the outer continental shelf (OCS), for a total of over 550 million barrels of oil and 1.3 trillion cubic feet of natural gas.

The agency oversees approximately 2,400 production platforms located in the three OCS regions: Arctic, Gulf of Mexico, and Pacific.



Mostafa Kamal, chairman of Meghna Group of Industries and vice chairman of Bangladesh National Insurance Company Ltd, attends the launch of new logo of the insurance company at its Dhaka Office.

Epson, Apple face French legal pressure over planned obsolescence

AFP, Paris

French prosecutors have launched a probe into Japanese printer maker Epson for alleged planned obsolescence in its products, using landmark consumer legislation that campaigners hope to turn against Apple as well.

The investigation, confirmed to AFP by a legal source on Thursday, was opened in November and is being led by anti-trust and consumer protection specialists in the French economy ministry under the instruction of prosecutors in the Nanterre suburb of Paris.

It comes after a complaint by the association Stop Planned Obsolescence (HOP or Halte à l'Obsolescence Programmée) which filed a case against printer makers Epson, HP, Brother and Canon in September alleging they were tricking consumers into replacing ink cartridges before they were empty.

The group filed a separate complaint on Wednesday against Apple after the US tech giant admitted earlier this month that it intentionally slowed down older models of its iPhones over time.

Reacting to news of the Epson probe, the pro-recycling association called it "very good news."

"For the first time in France and to our knowledge in the world, judicial authorities of a country have taken up a case of planned obsolescence," HOP lawyer Emile Meunier told AFP.

Planned obsolescence is a widely criticised commercial practice in which manufacturers build in the expiry of their products so that consumers will be forced to replace them.

It is decried by consumer groups as being unethical and is suspected of being particularly prevalent in the electronics industry, which produces mountains of unrecyclable waste each year.

To tackle the problem, France passed landmark legislation in 2015 known as "Hamon's law" which made the practice illegal and -- in theory -- obliged retailers to say whether replacement parts were available.

The law, named after former Socialist minister Benoit Hamon, stipulates that a company found to be deliberately shortening the life of its products can be fined up to five percent of its annual sales while executives can

face up to two years in jail.

The Epson case -- if the initial legal inquiry finds enough evidence for a trial -- could lead to the first prosecution for the crime, which some lawyers have warned will be difficult to prove in court.

The company did not comment on the legal probe when contacted by AFP on Thursday. HOP filed its complaint against the printer manufacturers because of techniques allegedly used by them to force users to change their ink cartridges before they were empty.

Printer companies earn far higher margins on replacement cartridges than on printers, which are often sold cheaply.

Pointing to thousands of complaints online, HOP said that many printers stopped working when ink levels were shown as too low and also said other components were wrongly flagged as needing replacement.

Earlier this month, Apple confirmed what critics had suspected for years: that it intentionally slows performance of older iPhones as their batteries weaken with age.



Participants of a "Speaker Series Programme" organised by Bangla Trac (BanglaCAT), the authorised dealer of Caterpillar in Bangladesh, are seen. Mohsin Uddin Ahmed, managing director of Linde Bangladesh, took part in the event as the guest speaker while senior members of Bangla Trac Group, the owning company of Bangla Trac, were also present.