GRAMEENPHONE

Petter B Furberg, chairman of Grameenphone, and Michael Foley, CEO, attend the telecom operator's 21st annual general meeting at International Convention City Bashundhara in the capital on Thursday. The company paid 205 percent dividend for 2017.

Australian business tax breaks at risk over bank inquiry

REUTERS, *Melbourne*

Proposed tax cuts for Australian businesses are at risk following explosive evidence uncovered in an inquiry into the financial services sector, including revelations that financial advisers knowingly charged dead clients for up to a decade.

At least two crossbenchers, whose support the conservative government's aim to cut the business tax rate from 30 percent to 25 percent, have raised concern about the proposed cuts, stating that a string of highly damaging admissions made during the Royal Commission was "not going to help the government's case".

Independent lawmaker Tim Storer told Fairfax Media on Saturday that public support for the proposal could be difficult to secure, while fellow independent lawmaker Derryn Hinch went further, labelling banks "crooks". He said that he would only support the tax cuts if banks were excluded.

On the same day that the government faced a fresh challenged to its proposal, the heads of Australia's biggest banks and financial services operators admitted that they were wrong to resist the Royal Commission inquiry into their operations for so long.

The heads of major banks ANZ, NAB, Commonwealth Bank of Australia and Westpac all said the Royal Commission was now necessary to expose and eliminate a pattern of high and unnecessary charges to customers, misconduct and instances of one company, AMP, admitting that it lied to the corporate regulator at least 20 times.

All banks and financial services business, plus the government, had long refused to support the creation of the inquiry, arguing that regulations in place were strong and that there was no need for it.

"Clearly, I was wrong," ANZ chief executive Shayne Elliott told the Weekend Australian.

Sanctions-hit Russian firms ask government for $1.6b in liquidity

REUTERS, *Moscow*

Russian companies hit by US sanctions, including aluminum giant Rusal, have asked for 100 billion rubles ($1.6 billion) in liquidity support from the government, Finance Minister Anton Siluanov was quoted by Interfax news agency as saying on Friday.

The United States on April 6 imposed sanctions against several Russian entities and individuals, including Rusal and its major shareholder Oleg Deripaska, to punish Moscow for its suspected meddling in the 2016 US election and other alleged "malign activity."

Rusal, the world's second-biggest aluminum producer, has been particularly hard hit as the sanctions have caused concern among some customers, suppliers and creditors that they could be blacklisted too through association with the company.

A "temporary nationalization" is an option for some sanctions-hit companies, but not Rusal, Siluanov was quoted as saying. He did not name the companies he was referring to.

A Kremlin spokesman had said on Thursday that temporary nationalization was one of the options for helping Rusal.

According to another news agency, RIA, Rusal has only requested government support with liquidity and with demand for aluminum so far, Siluanov said.

RIA quoted the minister as saying the government was not considering state purchases of aluminum for now.

GODREJ HOUSEHOLD

Amitava Pal, head of production and supply chain at Godrej Household Products (BD) Pvt Ltd; Sandip Halder, chief financial officer, and Subir De, head of sales, launch Godrej HIT 800 ml, a mosquito repellent, at a hotel in Dhaka on Thursday.

Japan concedes gap with Trump remains on trade framework

REUTERS, *Washington*

Japan conceded it was at logger-heads with Washington on whether the United States should rejoin the multilateral trans-pacific trade pact, as President Donald Trump's preference for a bilateral deal has created a 'gap' in view points.

In a meeting with his US counterpart Steve Mnuchin on Friday, Japanese Finance Minister Taro Aso said he conveyed his concern over protectionism and urged Washington to exempt Japanese steel and aluminum goods from US import tariffs.

Japan wants Trump to reconsider his decision to pull the United States out of the multilateral Trans-Pacific Partnership (TPP) deal, though it was mindful the president did not prefer such multilateral deals, Aso said.

"It's clear there's a gap in view," Aso told reporters after the G20 meeting of finance leaders. "That will be discussed in various forms under a new framework" focusing on trade, he said.

The United States shouldn't merely consider the bilateral trade balance but take into account inflow of funds from Japan's huge investment to the country, Aso added.

The rift between the United States and one of its closest allies underscore the repercussion Trump's protectionist trade policies is having on the global community. The International Monetary Fund warned that protectionism could hurt an otherwise robust global economy.

Aso said he and Mnuchin discussed currencies but only as part of talks on the global economy.

In a summit earlier this week, Trump reaffirmed his desire to address trade imbalances with Japan through a bilateral trade deal, while Japanese Prime Minister Shinzo Abe repeated his call for the United States to rejoin TPP. The two leaders agreed to form a new framework focusing on trade talks to iron out differences.

Trump withdrew from the TPP deal three days after his inauguration in January 2017, a move he said was aimed at protecting US jobs.

"Japan hopes the new framework would help bring the United States back to TPP, though the United States might be thinking otherwise," said a senior Japanese finance ministry official with knowledge of the negotiations.

While stressing that TPP was Japan's top priority, the official said Tokyo won't persist on what framework the talks will take as long as the outcome is mutually beneficial.

"Whether it's TPP or a free trade agreement (FTA), you need to negotiate similar issues," the official said. "What's important is what you want to achieve, be it TPP or FTA."

Japan has long upheld a multilateral framework as its export-reliant economy has benefited greatly from global free trade. This approach helps Japan diffuse direct pressure from countries like the United States to open up its politically sensitive markets, such as agriculture, analysts say.

Trump last month imposed a 25 percent tariff on steel imports and a 10 percent tariff on aluminum imports. Japan is the only major US ally that did not receive exemptions from the tariffs.

Japan has no immediate plan to raise a trade dispute against US steel and aluminum tariffs to the World Trade Organization, though such a move was among options that could come under consideration in the future, the official said.

"For now, Japan will seek to gain the understanding of the United States that its steel exports don't threaten US national security," the official told reporters.

REUTERS

Japan's Deputy Prime Minister and Finance Minister Taro Aso arrives at G-20 plenary during the IMF/World Bank spring meeting in Washington on Friday.

China's ZTE slams US ban, says company's survival at risk

REUTERS, *Hong Kong*

China's ZTE Corp said on Friday that a US ban on selling parts and software to the company was unfair and threatens its survival, and the mobile phone and telecommunications equipment maker vowed to safeguard its interests through all legal means.

The US Commerce Department's Bureau of Industry and Security, or BIS, this week banned American companies from selling to ZTE for seven years, saying the Chinese company had broken a settlement agreement with repeated false statements.

"It is unacceptable that BIS insists on unfairly imposing the most severe penalty on ZTE even before the completion of investigation of facts," ZTE said in its first response since the ban was announced.

"The denial order will not only severely impact the survival and development of ZTE, but will also cause damages to all partners of ZTE including a large number of US companies," the statement said.

ZTE said it regards compliance as the cornerstone of its strategy, invested $50 million in export control compliance projects in 2017 and plans to invest more this year.

A senior US Commerce Department official told Reuters earlier this week that it is unlikely to lift the ban.

"There is no provision currently for that to occur," the official said, who declined to be identified due to the sensitivity of the matter.

One US attorney who declined to be named because the firm has clients with interests in the case described the ban as "a death sentence" for ZTE.

When sanctions reach this level, US courts generally do not second guess a decision from the executive branch, said the attorney.

The Commerce Department has an appeals process for companies to try to get off the list, but it is unclear whether that would be available to ZTE because the case had been previously subject to a settlement, according to people familiar with the matter.

Even so, ZTE would have little recourse in the near term because appeals would have to be approved by the BIS, the same agency that issued the ban.

Companies must submit appeals to a committee that would issue a ruling within 30 days, according to the agency's website.

ZTE's best chance would be if US companies choose to lobby the Trump administration to lift the ban to save their business with ZTE, said Adams Lee, an international trade attorney at Harris Bricken.

The ban has escalated US-China tensions after the two nations threatened each other with tens of billions of dollars in tariffs, fanning worries of a full-blown trade war.

In China, there has been a patriotic backlash with an outpouring of support for ZTE on social media and most domestic newspapers have chosen to put the lion's share of the blame for ZTE's troubles on the country's heavy reliance on foreign semiconductors.

ZTE chairman Yin Yimin told domestic media on Friday at its Shenzhen headquarters that the firm would increase research and development.

"Relying on oneself is better than relying on others," state media Xinhua quoted Yin as saying.

E-commerce giant Alibaba Group Holding Ltd (BABA.N) said on Friday it had acquired a Chinese chipmaker, underlining its commitment to driving chip-industry development.

Meanwhile, the US government is considering using an emergency law to restrict Chinese investments in sensitive US technologies, a senior Treasury official said on Thursday.

Trade in ZTE shares has been suspended since Tuesday. As of Monday's close, they were worth some $19 billion.

Nissan to cut hundreds of jobs at UK car plant

AFP, *London*

Japanese automaker Nissan will axe hundreds of staff at its car plant in northeastern England due to a sharp fall in diesel car sales, a source told AFP on Friday.

Questioned about media reports of hundreds of job losses at Nissan's factory in the coastal city of Sunderland, a source close to the matter confirmed the news but declined to give a timeframe.

The news also comes as Britain's car sector, which is largely foreign-owned, continues to face Brexit uncertainty on the horizon.

The Sunderland plant -- which builds the Juke, Leaf and Qashqai car models, many of which are diesel -- employs 7,000 workers who produce some 500,000 vehicles per year.

However, Nissan saw British sales slump 35 percent in the first quarter on an annual comparison.

That mirrors a broader trend across the British automobile industry, with demand sliding on UK government plans to improve air quality.

And diesel car sales are also struggling elsewhere in Europe.

More and more consumers are choosing to ditch diesel cars in favour of automobiles that are regarded as more environmentally-friendly.

The vast bulk of Sunderland-built Nissan cars are exported to elsewhere in Europe.

Meanwhile, Friday's news came as Nissan Motor Manufacturing UK (NMMUK) announced that it would implement a "short term" reduction in volumes at the sprawling Sunderland facility.

"As previously communicated, we are transitioning to a new range of powertrains over the next year," a company spokesman said.

ORION FOOTWEAR

Ruhul Amin Molla, CEO of Orion Footwear Ltd, opens the company's new outlet at Shahjadpur in the capital's Badda recently.