

Chickpea cheaper as global prices drop

DWAIPAYAN BARUA, Chittagong

Chickpea has become cheaper in the port city due to a huge amount of it being imported following a price drop in the international market.

The Australian chickpea—which meets around 90 percent of the domestic demand in Bangladesh—was sold at Tk 52 a kg yesterday in the Khatunganj wholesale market, down from Tk 57 a kg 10 days ago.

In February of this year, India raised the import duty on chickpea by 10 percentage points to 40 percent to boost sales of the pulse crop's Indian variety.

As a result, Australia had to cut the prices of its chickpea, for which India was a major consumer.

In January, a tonne of Australian chickpea was sold at \$640 in the international market, which came down to around \$560 per tonne in March.

Taking advantage of the price drop, Bangladeshi importers brought in 149,000 tonnes of chickpea in the January to April period for Ramadan, which was almost double of the fasting month's total

demand of 80,000 tonnes.

Moreover, sales of the popular Ramadan staple from the Khatunganj market fell sharply as the inter-district cost of transportation almost doubled after a cut in the vehicle's maximum weight limit for movement on highways.

A truck can now carry a maximum of 13 tonnes of goods at a time, which was 22 tonnes before the restriction, said Ratan Ghosh, a wholesaler of the trading hub.

Because of the restriction, businesses now have to spend nearly 2 times more to take goods from the market to different parts of the country, said Ashutosh Mohajan, proprietor of Payel Traders, another wholesaler.

"Many businesses reduced the amount of chickpeas they intended to purchase from us due to the rising transportation cost, which resulted in a drop in its retail and wholesale prices."

Retailers at Karnaphuli CDA Market were selling chickpea of the higher grade at Tk 70 a kg yesterday, down from Tk 75 a kg before Ramadan.

The lower grade was found to be going at Tk 65 a kg, down from Tk 70 a week ago.

Huawei launches 2018 version of Y3 smartphone

STAR BUSINESS DESK

Huawei yesterday launched a new smartphone—Y3 2018 which runs the Go version of Android Oreo (8.1)—for the Bangladesh and global markets.

The 4G-enabled 5-inch smartphone is equipped with a 1.1 GHz quad-core processor, 1 GB of RAM and 8 GB of inbuilt storage, which is expandable via microSD card.

"We have a vision where we see android devices in every hand. Keeping this in mind, we are using 'Android go' OS in our Y3 2018," said Aaron, country director of

Huawei Consumer Business Group (Bangladesh).

"Not everyone has the ability to buy flagship phones and so, low priced 'Android go' is the solution. We have implemented this concept in Y3 2018."

The mobile phone is available in grey and gold colour variants, the company said in a statement yesterday.

The device has a price tag of Tk 8,890 with one-year warranty.

Buyers can get extended warranty for one more year by adding Tk 300 with the original price of the set, the company said.

Deutsche Bank axes at least 7,000 jobs in trading retreat

REUTERS, Frankfurt

Deutsche Bank is cutting more than 7,000 jobs to reduce costs and restore profitability while maintaining its international reach as its new chief executive seeks to reassure investors and clients.

Germany's biggest bank said global headcount would fall to well below 90,000 from 97,000, with a 25 percent cut in equities sales and trading jobs, which are

mainly in New York and London and where it has been losing ground to rivals.

Deutsche Bank did not give a specific number, but a person with knowledge of the matter told Reuters on Thursday that it was aiming to axe 10,000 positions. Christian Sewing, who became CEO last month, said the bank was committed to its international presence, fleshing out his plan to scale back its global investment bank and refocus on Europe and its home market.

Al-Arafah Islami Bank reelects top brass



Abdus Samad



Mohammed Abdus Salam

STAR BUSINESS DESK

Abdus Samad and Mohammed Abdus Salam have recently been reelected as the chairman and vice chairman of Al-Arafah Islami Bank respectively for a two-year term.

The decision was taken at a meeting of the board of directors of the private lender, the bank said in a statement yesterday.

One of the founder directors of the bank, Samad is the vice chairman of S Alam Group and chairman of S Alam Cold Rolled Steels Ltd. He is also the founder director of Northern General Insurance Ltd and Reliance Finance Investments Ltd.

Salam is managing director of Mir Group and vice president of the Chittagong Metropolitan Chamber of Commerce & Industries.



SUMMIT GROUP

Latif Khan, vice chairman of Summit Group, and Azeeza Khan, a director, receive AAA credit rating reports from Muzaffar Ahmed, president and CEO of Credit Rating Information and Services Ltd, on behalf of Summit Corporation Ltd and Summit Power Ltd, at Summit Centre in Dhaka yesterday.

Uber self-driving car failed to recognise pedestrian, brake: US agency

REUTERS, Washington

An Uber self-driving vehicle that struck and killed a woman in Arizona in March failed to identify the pedestrian or to brake, raising serious questions about its performance, the US National Transportation Safety Board said in a preliminary report released on Thursday.

The report said the vehicle's radar systems observed the pedestrian six seconds before impact but "the self-driving system software classified the pedestrian as an unknown object, as a vehicle, and then as a bicycle."

At 1.3 seconds before impact, the self-driving system determined emergency braking was needed, but Uber said emergency braking maneuvers were not enabled while the vehicle was under computer control in order to reduce the potential for erratic vehicle behavior.

Uber Technologies Inc, which suspended testing in the aftermath of the crash in the city of Tempe - the first death ever from a fully self-driving vehicle - said on Wednesday it would shut down its Arizona self-driving testing program and will focus on limited testing in Pittsburgh and two cities in California.

The company did not directly comment on the NTSB findings but noted that it recently named a former NTSB chairman, Christopher Hart, to advise on Uber's safety culture.

"As their investigation continues, we've initiated our own safety review of our self-driving vehicles program," the company said on Thursday, adding it planned to announce changes in the coming weeks. The ride-hailing company aims to resume self-driving operations this summer, likely with smaller routes and fewer cars, the company said on Wednesday.

Uber has said it considers self-driving technology important to the future of its ride services, although it is not clear how it fits into the plans of new Chief Executive Dara Khosrowshahi. He has revamped the company structure and cut certain expenses as Uber prepares for an initial public offering next year.

German carmakers dismayed as US weighs auto tariffs

AFP, Frankfurt

German automakers reacted with dismay Thursday as the US Commerce Department said tariffs on car imports could be on the horizon, potentially opening a new front in a burgeoning transatlantic trade conflict.

"One-sided protectionism has never helped anyone in the long term. Only free and fair trade secures increased prosperity," a spokesman for industry behemoth Volkswagen told AFP.

American Commerce Secretary Wilbur Ross had announced Wednesday he had initiated a so-called Section 232 investigation on auto trade -- which would provide the legal basis to impose tariffs, if his department finds imports threaten US national security -- after speaking with President Donald Trump on the matter.

Ross promised "a thorough, fair, and transparent investigation into whether (auto) imports are weakening our internal economy and may impair the national security."

The move comes as a June 1 deadline approaches for the White House to decide whether imports from the EU will remain exempt from border taxes slapped on steel and aluminium.

Trump's recourse to national security arguments for potential tariffs echoes his justification for the metals duties.

In a separate statement released by the White House, the president said "core industries such as automobiles and automotive parts are critical to our strength as a

nation." Germany's Federation of the Automotive Industry (VDA) noted that German carmakers employ some 36,500 people in the US and car parts producers 80,000 more.

And it highlighted German firms' "significant contribution to the American balance of trade in cars" with their exports to third countries.

"An increase in tariff barriers should be avoided," the body said, saying it had "always spoken out in favour of mutual reductions in tariffs and for free-trade agreements".

German carmakers exported 494,000 vehicles to the US last year, the VDA said, while the Chambers of Commerce and Industry (DIHK) calculated autos and parts accounted for 28.6 billion euros (\$33.6 billion) of Germany's 111.5 billion euros in exports to the US.

Shares in Volkswagen, high-end BMW and Mercedes-Benz maker Daimler were among the worst performers in the DAX index of blue-chip German shares just before midday (1100 GMT) Thursday.

Imposing car tariffs would open yet another front in the Republican president's confrontational rows over trade that have drawn global outcry from allies and partners.

"Evidence of significant economic damage due to the trade conflict is mounting," tweeted economist Marcel Fratzscher of the DIW think-tank in Berlin.

"The Trump administration now adding new threats with tariffs on European cars could make things a lot worse."

Companies act needs robust reform: analysts

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The initiative to amend the act has remained stalled since 2013 although the economy has witnessed a lot of changes over the years. There is only one bench dedicated to resolve company-related cases in the High Court. As a result, dispute settlement takes many years, businesspeople said.

"A robust company law regime is a must," said Barrister Rashna Imam, an advocate of the Supreme Court, adding that the number of benches in the HC should either be increased or a specialised tribunal set up.

Adeeb H Khan, senior partner of KPMG Bangladesh, said although the office of the Registrar of Joint Stock Companies (RJSC) claims that it has drastically reduced the time needed to register new companies, it still takes more than a week compared to only two days in some other countries.

"The government needs to improve the RJSC as it has a scope to be a regulator of the private sector," he said. Most of the time the official server of the RJSC remains down, said a number of discussants.

Shubhashish Bose, commerce secretary, said the companies act was formulated in 1930 and amended in 1994.

"For the sake of greater interest of the businesses and the economy we feel that it needs a further amendment."

He said the government is focusing on ease of the share transfer process, taxation

policy and reduction of fees to formulate the new companies act.

"By the next week, the compilation of new companies act will be finalised."

MA Mannan, state minister for finance and planning, said he has discussed with the stakeholders while compiling the revision of the act. The revision will benefit the businesses, he said.

DCCI President Abul Kasem Khan said if the new companies act comes into effect, it would bring more companies under the tax net and increase government revenue.

Asif Ibrahim, a former DCCI president, said the country has many laws and regulations, but there was no proper implementation. "We need to customise our companies act according to our own interest."

Arif Khan of IDLC Ltd said currently, Bangladesh gets only \$2 billion in FDI which was very low compared to the amount attracted by Singapore and Vietnam as they have amended their laws to make them FDI-friendly.

"Our corporate governance is weak and most of the functions of registration process are paper-based. We need to go for automation," said Khan.

He called for coordination among the RJSC, Bangladesh Bank, the Bangladesh Securities and Exchange Commission, the National Board of Revenue, Bangladesh Investment Development Authority, city corporations and other regulators.

Stocks bounce back, finally

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Chittagong stocks also soared yesterday with the bourse's benchmark index, CSCX, advancing 86.15 points, or 0.90 percent, to finish at 10,132.18. Gainers beat losers as

132 advanced and 64 declined, while 22 finished unchanged on the Chittagong Stock Exchange. The port city bourse traded 64.48 crore shares and mutual fund units worth Tk 18.26 crore.

India trying to get resolution soon on rising fuel prices

REUTERS, New Delhi

India is trying to get a resolution soon on tackling rising fuel prices, and the government is looking at both short-term and long-term solutions, said Oil Minister Dharmendra Pradhan on Thursday.

Prices of diesel and petrol in India have surged to a record high, stoking opposition criticism of Prime Minister Narendra Modi's administration for causing hardship to ordinary people.

Rising global crude oil prices are largely behind the surge, but fuel is also heavily taxed by India's state and central authorities, accounting for about 40-50 percent of the retail cost of petrol and diesel.

In Delhi, petrol costs 77.47 rupees (\$1.13) a litre and diesel sells at 68.53 rupees a litre.



PRIME BANK

Azam J Chowdhury, chairman of Prime Bank, presides over the bank's 23rd annual general meeting at Krishibid Institution Bangladesh in the capital yesterday. The bank approved 10 percent stock and 7 percent cash dividends for 2017. Rahel Ahmed, managing director, was present.

Indian rice prices ease to lowest in a year as rupee slides

REUTERS, Bengaluru

Rice prices in India fell for the third straight week to their lowest level in a year as the rupee slipped to a 16-month low, while markets in other top exporters remained relatively muted. Rates for India's 5 percent broken parboiled variety dropped by \$10 to \$394-\$398 per tonne.

"Indian rice is very competitive compared to supplies from Thailand and Vietnam. Export orders have improved as in dollar terms Indian prices have been falling," said an exporter based at Pune in the western state of Maharashtra.

The rupee has fallen nearly 7 percent so far in 2018, increasing exporters' margins from overseas sales.

Meanwhile, summer rice output in neighbouring Bangladesh is likely to hit 19.7 million tonnes, exceeding the target of 19 million tonnes, as farmers raised acreage to cash in on higher prices, a government official said on Thursday.

Rice prices in the country, which emerged as a major importer in 2017 after floods damaged its crops, jumped around 40 percent last year due to depleting stocks, forcing the government to seek supplies from Asian countries like India, Thailand and Vietnam.

Thailand's benchmark 5 percent broken rice narrowed slightly this week to \$435-\$438 per tonnes, free on board (FOB) Bangkok, as against \$435-\$440 last week.

The country has sold rice to the Philippines in an international tender this week, a Bangkok-based rice trader said.

Pathao to launch its own mobile wallet

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Pathao has not taken any approval from the central bank for Pathao Pay as it feels it is not running any banking services with it.

There will not be any cash-out service from Pathao Pay and customers can only use this money for purchasing Pathao services.

"This will ultimately help establish a cashless digital ecosystem," Fahad said.

Founded in 2015, Pathao has made inroads in tackling Bangladesh's commuting problems.

The World Bank estimated that traffic costs 3.2 million working hours each day and hits the economy by \$4.6 billion every year in Dhaka -- a city with over 18 million people and no mass transit system.

As the first mover in the ride-hailing industry, Pathao quickly gained popularity by allowing people to conveniently and economically beat congestion.

Pathao's food delivery service is also getting popular by the day although its first product was courier service for mostly e-commerce sites.

"Our riders or delivery persons are facing challenges in giving the exact change to customers, so we have come up with a solution in Pathao Pay," Fahad added.

Banks waive huge interest

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But the banks should not deduct the cost of fund while waiving the interest, he said.

"Full interest waiver is not expected for a particular client as it will not bring any good outcome," Rahman added.