



Half Yearly Business Conference 2018

7 July 2018, Saturday | FARIS Hotel & Resorts

মার্কেটাইল ব্যাংক লিমিটেড Mercantile Bank Limited efficiency is our strength

AKM Shaheed Reza, chairman of Mercantile Bank, attends the bank's 'Half-yearly Business Conference-2018' at Fars Hotel and Resorts in Dhaka yesterday. Kazi Masihur Rahman, CEO, was present.

As Trump heads for Europe, trade strains start to show

REUTERS, London

The global economy is starting to show signs of strain from the 'America First' push of US President Donald Trump...

Against a crescendo of measures and counter-measures, and threats of more to come, caution about investment is growing among employers in many countries...

At the same time, central bankers on both sides of the Atlantic are sounding nervous about the risk of an escalation of the tensions.

Trump has vowed to stick to his promises of protection for US industries against what he says is unfair competition from China...

Ripping up the play-book for global trade of recent decades, he hit metal imports with tariffs in June and has threatened to curb car imports from Europe with a 20 percent duty.

On Friday, Washington implemented tariffs of 25 percent on \$34 billion of Chinese imports, part of a total \$500 billion of goods from China...

'The world has to be prepared for an escalation of the trade conflict in the months to come,' Raoul Leering, a trade analyst at ING bank said...

'For now, Trump's voters back his stance on trade, suggesting he's unlikely to back down, particularly ahead of the mid-term elections...

in the Senate.' However, after the elections in November it was possible that the economic costs of Trump's approach would be clearer...

Foreign capitals initially hoped that Trump, who basks in his reputation as a dealmaker, was merely talking tough on trade in order to win a few concessions from other countries...

The US Federal Reserve said on Thursday it saw signs that worries among companies about trade were curbing investment...

On the same day, Bank of England Governor Mark Carney warned that uncertainty about trade could cause market interest rates to snap higher around the world.

That would further complicate the challenge for many economies, especially developing ones, which are already trying to cope with the impact of rising US interest rates.

'At the moment, protectionism is largely just talk, and tweets,' Carney said. 'But what if rhetoric becomes reality?'

Even though the measures and counter-measures announced so far by the United States, the EU and China — plus Mexico and Canada...

But at least 1 percent of global economic output — and 2.5 percent of America's — could be lost if the United States raised its tariffs by 10 percentage points...

Carney said. The World Trade Organisation says the trade spat has already hurt forward-looking indicators, and business surveys showed a hit to manufacturing in Europe and Asia in June...

Trump kicks off his visit to Europe at a summit of leaders of NATO countries in Brussels on Wednesday and Thursday where he is expected to hammer home his calls on other countries to spend more on defense.

While not on the summit's official agenda, European leaders will voice their trade concerns to Trump, diplomats said.

Trump is then due to visit Britain where he will meet Prime Minister Theresa May — as well as Queen Elizabeth — before flying to Helsinki to meet Russian President Vladimir Putin.

In June, the British leader warned both Trump and EU leaders of the dangers of entering a tit-for-tat trade war.

She must tread a fine line when she hosts Trump, given the importance her government has placed on getting a trade deal with the United States after Britain leaves the EU.

Other European leaders are likely to be less inhibited when they meet Trump in Brussels, given the scale of alarm at the prospect of an isolationist America.

'There are no winners in a trade war, and the trend is pointing in the wrong direction,' Steen Jakobsen, chief economist at Saxo Bank, said.

'The US, of course, is now actively breaking down the very international organizations that have supported growth and globalization since the end of World War II and after the fall of the Berlin Wall.'

Rolls-Royce sells loss-making commercial marine unit

AFP, London

British engine maker Rolls-Royce announced Friday it has agreed to sell its loss-making commercial marine business to Norwegian industrial group Kongsberg for £500 million.

The deal, worth \$661 million, is part of a massive overhaul led by chief executive Warren East, Rolls-Royce said in a statement.

The news comes three weeks after the London-listed company launched plans to axe 4,600 mainly British management roles by 2020 to further slash costs.

Rolls is implementing a sweeping restructuring plan which aims to generate £400 million of annual cost savings by the end of 2020.

The group has weathered a tough trading environment in recent years on weak demand for its power systems, in particular ones used by the marine industry.

'This transaction builds on the actions we have taken over the last two years to simplify our business,' said boss East on Friday.

'The sale of our commercial marine business will enable us to focus on our three core businesses of civil aerospace, defence and power systems, and on meeting the vital power needs of our customers.'

The commercial marine division, which has been drastically restructured since 2015, employs about 3,600 staff mainly in the Nordic region.

In recent years, the troubled business has been hurt by weak oil prices, which has dented demand for marine vessels and equipment.

Kongsberg added in a separate statement that

the acquisition will be partly financed by a rights issue, or sale of new shares, totalling 5.0 billion kroner (\$620 million, 530 million euros).

Kongsberg is 50 percent owned by the Norwegian government.

Rolls-Royce expects net proceeds of £350 million to £400 million from the transaction, which is set to complete early next year.

The disposal is meanwhile set to have a positive profit impact of around £50 million based on 2017 figures, according to Rolls-Royce.

The company had in January launched a strategic review of the division, which generated 2017 revenues of £817 million but an operating loss of £70 million.

Kongsberg, which has operations in 25 countries and 7,000 staff, provides products to sectors including defence, oil and gas and aerospace.

'The acquisition of Rolls-Royce Commercial Marine makes us a more complete supplier to the maritime industry,' f added Kongsberg chief executive Geir Haoy.

'With this acquisition we will strengthen our strategic position with shipowners, shippers and other customers and partners.'

Rolls-Royce, whose engines are used in Airbus and Boeing aircraft, has 16,000 staff at its main UK operational base in Derby in central England.

The entire group currently employs about 55,000 staff across 50 countries worldwide.



Md Anwarul Azim Arif, chairman of Social Islami Bank, attends the bank's half-yearly business conference for 2018 at Lakeshore Hotel in Dhaka on Friday. Quazi Osman Ali, CEO, was present.



Syed Wasque Md Ali, managing director of First Security Islami Bank, launches the bank's new VISA debit card yesterday.

Canada says joblessness rose slightly in June

AFP, Montreal

Canada's unemployment rate rose slightly last month to six per cent of the active population, the national statistical institute announced Friday. That was slightly higher than analysts' predictions of a 5.8 per cent rate.

The Canadian economy added 31,800 jobs for the month, but with 75,000 people entering the work force the jobless rate rose 0.2 per cent from May, Statistics Canada said.

In all, 22,700 part-time jobs and 9,100 full-time positions were created in June.

The construction, natural resources and manufacturing sectors saw the greatest job creation, while employment declined in hospitality and food services, as well as in agriculture.

Summer brought good news for some young people, as the number of those aged 20 to 24 finding jobs last month rose by 26,000, up 5.4 per cent from June 2017.

But among all those aged 15 to 24, an increase of 27,000 job-seekers pushed the unemployment rate up 0.6 percentage points from May, to 11.7 per cent.

The greatest numbers of new jobs were reported in the provinces of Ontario (35,000), Saskatchewan (8,300) and Manitoba (4,100), Statistics Canada said.

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার. Advertisement for public works and tendering, including a list of projects and their budgets.

Government of the People's Republic of Bangladesh. Invitation for Tender (LTM/NCT) e-Tender Notice No: 01/2018-2019. Details of construction projects and tendering process.