BERGER PAINTS BANGLADESH

Gerald K Adams, chairman of Berger Paints Bangladesh Ltd, presides over the company's 45th annual general meeting in Dhaka on Tuesday. The company approved 100 percent stock and 200 percent cash dividends for 2017-18. Rupali Chowdhury, managing director, was present. The company's eighth extraordinary general meeting was also held that day.

Saudi Aramco in talks to buy stake in world's no. 4 chemical firm

REUTERS, *Dubai*

Saudi Aramco said on Thursday it is looking to buy a strategic stake in Saudi petrochemical maker SABIC, a move that could boost the state oil giant's market valuation ahead of a planned initial public offering.

Aramco said in a statement that it was in "very early-stage discussions" with the kingdom's Public Investment Fund (PIF) to acquire the stake in SABIC via a private transaction. It has no plans to acquire any publicly held shares, it said.

Riyadh-listed SABIC, the world's fourth-biggest petrochemicals company, is 70 percent owned by the PIF, Saudi Arabia's top sovereign wealth fund. It has a market capitalisation of 385.2 billion Saudi riyals ($103 billion).

Reuters reported on Wednesday that Saudi Aramco had invited banks to pitch for an advisory role on the potential acquisition of a strategic stake in Saudi Basic Industries Corp (SABIC), citing two sources with direct knowledge of the matter.

The size of the stake Aramco is interested in acquiring is not known.

Aramco said it had been evaluating a number of acquisition opportunities, both local and global, in line with its strategy of rebalancing its portfolio by moving further into downstream, particularly the petrochemical sector.

In a separate statement, the PIF said that talks on a sale were in the early stages. "There is a possibility that no agreement will be reached in relation to this potential transaction," the PIF said.

Aramco wants to develop its downstream business as the government prepares to sell up to 5 percent of the world's largest oil producer, possibly by next year. Boosting its petrochemicals portfolio further could help attract investors for the IPO.

Shares in SABIC, the largest listed company in the Gulf, were down by 0.3 percent at 0945 GMT on Thursday. Aramco invited the banks to pitch for a potential SABIC deal last month, the sources told Reuters on Wednesday, declining to be identified due to commercial sensitivities.

General Electric's power unit faces threat in Saudi Arabia

REUTERS, *New York and Abu Dhabi*

One of General Electric Co's largest and most valuable customers, Saudi Arabia, is lining up competitors to bid against GE for lucrative power plant work, according to five people familiar with the situation.

State-controlled Saudi Electricity Co (SEC) has qualified at least two companies - Power Systems Mfg LLC and Combustion Parts Inc - to provide service or parts for some of SEC's more than 50 GE-made F-class turbines, and is in talks with two others over investments to set up facilities to service the SEC plants over many years, according to sources with direct knowledge of the matter.

The qualifications for the first time puts SEC in position to break GE's hold on that work by having others bid against GE on maintaining the F-Class fleet - among the largest owned by a single entity and among the most lucrative service portfolios in the industry - when the existing contracts come up, according to the sources and industry databases.

Saudi Arabia, the world's largest oil producer, has grown increasingly cost conscious, and under its "Vision 2030" reform plan it aims to reduce oil dependence, lower state budget deficits and create jobs. The kingdom also wants to obtain the best possible prices on large contracts with big companies, according to a source with direct knowledge of SEC.

The utility is in the process of getting other companies involved in bidding for power plant services, rather than relying on GE as the sole provider, because qualifying competitors will lower prices, the source said.

Saudi Electricity Co previously created competition for an earlier-generation of turbines known as the E-class, according to the sources. After bidding began, GE ended up with less work and prices for the work fell by about 40 percent, sources said.

BRAC BANK

Selim RF Hussain, CEO of Brac Bank, and Md Safiqul Islam, managing director of SME Foundation, exchange signed documents of a deal at the latter's office in Dhaka on Wednesday. The bank and foundation partnered to offer working capital at preferential rates to entrepreneurs of Gaibandha's hosiery cluster.

EU order against Google opens new doors for mobile industry

REUTERS, *San Francisco*

A European Union antitrust judgement against Google on Wednesday invites more competition from software developers including Microsoft Corp, Amazon.com Inc and Samsung Electronics Co, but still leaves them at a disadvantage, industry executives and analysts told Reuters.

The EU found that the Alphabet Inc unit illegally bolstered its dominance in the mobile business since 2011 by forcing Android device makers to pre-install Google Search and its Chrome browser together with its Google Play app store, paying them to pre-install only Google Search, and blocking them from using modified versions of Android.

The ruling aims to open the door for Samsung, Lenovo Corp and other phone makers that have been tied to selling devices full of Google applications to start using some alternative software from the likes of Microsoft and Amazon without the device losing too much of its consumer appeal, according to EU press statements and EU sources on condition of anonymity.

Smartphone vendors could even charge the other software makers to have their browsers or search engines set as the default on Android smartphones, said Ian Fogg, vice president of analysis at OpenSignal, which helps wireless carriers map their networks.

Phones that feature Amazon's Alexa search or Microsoft's Bing search throughout should still be able to pre-install popular Google apps such as Google Maps or YouTube as the EU envisions it, EU sources said. Microsoft, Amazon, Samsung and Lenovo declined to comment.

Users may opt to replace the new defaults with Google search or Google Chrome apps anyway, but at least some would stick with the default options, according to the EU.

But the top smartphone makers are hesitant to promote inferior alternatives, an executive at one high-end Android device maker said on the condition of anonymity. Smaller hardware firms lack the market share to significantly affect Google's business, the person said.

AFP/FILE

A Google logo and Android statue are seen at the Googleplex in Menlo Park, California.

Google also can continue to pay hardware makers to be the exclusive search provider, the business from which it derives most of its revenue, on a device-by-device basis. The EU did not specify any limits on Google's ability to outbid smaller players in search such as DuckDuckGo.

Google is "systematically set to continue to dominate the industry," said Robert Marcus, a former member of Microsoft's mobile strategy team and now general partner at investment firm Quantum Wave Capital.

The ruling should give smartphone makers the ability to develop phones based on Fire OS, a version of Android customised and distributed by Amazon, the EU press statements said.

Google has allowed third parties to make such "forks" of Android, as they are termed in the industry, but it limited their adoption through licensing restrictions, the EU found.

The issue remains, though, that the EU did not specify that Google must provide its apps to smartphones with "forks", meaning that Fire OS phones could continue to lack services such as Google Maps, industry analysts said.

The omission leaves the industry with an "observation" rather than offering a "prescription" that puts the forks on equal footing, said Kumar Shah, managing director at investment firm Transit Capital and a former leader at Indian smartphone maker Micromax.

Instead, the EU said Google could maintain "fair and objective" restrictions on devices to which it does supply apps.

China to use 'counter-cyclical' measures to curb FX volatility

REUTERS, *Beijing/Shanghai*

China's foreign-exchange regulator said on Thursday it was well-equipped to keep currency markets stable amid intensifying trade frictions with the United States and prepared to counteract cross-border capital outflow volatility if it arises.

Wang Chunying, spokeswoman at the State Administration of Foreign Exchange (SAFE), told reporters the regulator would bolster "macro-prudential management" and "micro-level market supervision" and use "counter-cyclical" measures to deal with instability.

While Wang did not elaborate on details of such counter-cyclical measures, analysts see her comments as a warning that the central bank would not tolerate aggressive one-way speculation against the currency.

"We will make counter-cyclical adjustments to cope with short-term volatility in foreign exchange markets to maintain stability in the financial system and balance in international payments," she told a media briefing. The remarks did not appear to halt the decline in the yuan in onshore or offshore markets, where the currency has weakened about 7 percent against the dollar since the end of the first quarter and continued to slip on Thursday.

The yuan's declines have come as Washington and Beijing stepped up their tit-for-tat exchange of tariffs and threats of tariffs on eachother's goods.

As of 0805 GMT, the onshore spot was trading at 6.7583, 378 pips or 0.56 percent weaker than the previous late session close. Its offshore counterpart was trading 0.41 percent weaker than the onshore spot at 6.7860 per dollar.

Ken Cheung, senior Asian FX strategist at Mizuho Bank in Hong Kong, said Wang's remarks signalled that the foreign exchange regulator still had many tools at its disposal to deal with yuan depreciation expectations.

"If the yuan falls too fast over too short a period of time, the central bank would still take some action and make some comments," Cheung said.

He added, however, that Thursday's comment was not as strong as what the People's Bank of China (PBOC) governor Yi Gang offered when the yuan hit 6.7 per dollar two weeks ago, which had a calming effect on the market. "(The comments) shouldn't affect the market until the day when the policy is implemented," said a trader at a foreign bank in Shanghai, referring to counter-cyclical measures.

Traders and economists have been on alert for intervention or other attempts to slow the yuan's slide since it posted its worst month on record in June. Wang said SAFE is paying close attention to cross-border capital flows and that it had been improving "contingency plans and policy reserves".

While her comments about "counter-cyclical" measures did not make reference to specific market tools, some analysts have speculated in recent weeks that authorities may re-apply a "counter-cyclical factor" in their daily foreign exchange management to dampen depreciation expectations and slow the yuan's latest downtrend.

In May 2017, after a period of decline for the yuan, the PBOC added the secret counter-cyclical factor to its formula for calculating the midpoint reference rate for trading of the currency. The central bank effectively removed the x-factor at the start of this year, as the yuan rebounded.

Policy insiders told Reuters earlier this month that Beijing was expected to make use of other tools it has honed since 2015 to curb speculation and volatility in the yuan.

Developing Asia on track to meet growth expectations: ADB

REUTERS, *Manila*

The Asian Development Bank said developing Asia is on track to meet growth expectations for this year and 2019, but warned that rising US protectionist trade measures and countermeasures from China and others pose "a clear downside risk". The Manila-based institution, which released an update of its Asian Development Outlook on Thursday, kept its 2018 and 2019 economic growth estimates for the region at 6.0 percent and 5.9 percent, respectively.

The ADB made only a few small changes in the forecasts made in April. It now sees Indonesia growing 5.2 percent this year, instead of 5.3 percent, and has raised its forecast for Thailand to 4.2 percent from 4.0 percent. The lender said that it factored tariffs imposed by July 15 into the latest forecasts, though it added "the risk of further ratcheting up of protectionist measures could undermine consumer and business confidence and thus developing Asia's growth prospects."

ICCB

Mahbubul Alam, president of the Chittagong Chamber of Commerce and Industry, poses with participants of an International Chamber of Commerce Bangladesh workshop on "Changing faces of international trade fraud: current risks, prevention and responses" in the port city recently. Ataur Rahman, secretary general, and P Mukundan, a workshop resource person, were present.