

# Bhaluka's pangas farmers struggling to stay afloat

HELEMUL ALAM

**B**ABUL Munshi has been commercially cultivating some local fish species, mostly pangas, in Bhaluka of Mymensingh for the past 11 years taking a Tk 2 crore bank loan and paying yearly instalments.

It was all smooth sailing until some three years back when wholesale fish prices started to fall while feed became costlier.

The losses have mounted to such an extent that Babul is getting buried in even more loans to pay the instalments.

He is not alone. Another farmer, Mainul Huda, said he has been facing "serious losses" for the past two years.

He said he incurred a loss of Tk 1 crore and had already started borrowing money and selling off property to pay bank instalments for a Tk 3 crore loan he took last year.

He also blamed the increase in the number of fish farmers for the trouble.

One farmer said his annual sales of pangas dropped from 4-5 lakh pieces to just 1-2 lakh pieces in just two years.

The predicament has put into danger the livelihood of most of around 6,000 farmers of Bhaluka, which caters to some 70 percent of the country's demand for pangas, according to the upazila's Senior Fisheries Officer Rumana Sharmin.

Many have already gone bankrupt and abandoned their endeavours.

Sharmin too blamed a rise in



A man poses with a pangas fish in Bhaluka of Mymensingh.

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fish feed prices and drop in wholesale fish prices.

Babul said they spent Tk 70-90 behind each pangas, as each one requires two kilogrammes of feed to reach one kg in weight and become ready to be sold in the market.

The selling price had been more than Tk 100 until last December when it dropped to Tk 50-60, he said.

He said there has been a slight price rise for the past one month but recouping losses seemed a far cry.

Mainul said the cost of making one kg of feed at home rose from Tk 27 to Tk 35 while the price of manufactured feed available in the market increased from Tk 35 to Tk 45.

He said wholesalers from other districts including Cumilla, Chattogram, Sylhet, Barishal, and Brahmanbaria were no longer solely dependent on the upazila's produce.

Abu Bakar Siddiqui, also a farmer, said other local species were also experiencing a price drop in the wholesale market.

"We have already informed the higher-ups and steps are being taken to provide subsidies," said Sharmin.

Zillur Rahman, deputy director for aquaculture at the fisheries department, said they were giving emphasis on homemade feed and reducing management costs like electricity bills.

"Subsidy is not a permanent solution. We are trying to encourage people to go for exports," he said, adding that this would help increase demand alongside prices.

# Scant rains to dent India's cotton output, exports

REUTERS, Mumbai

**I**NDIA'S cotton production in 2018/19 is likely to fall 4.7 percent from the previous season to 34.8 million bales, as scant rainfall and an attack of pink bollworms are expected to squeeze crop yields, the head of a leading trade body told Reuters.

The drop in output could limit exports from the world's biggest producer of the fibre amid rising demand from top consumer China and in turn support global prices, which are hovering near their lowest level in more than nine months hit last week.

"In Gujarat, we are expecting a big drop in production due to dry weather," said Atul Ganatra, president of the Cotton Association of India.

Gujarat, the country's top cotton producing state, received 28 percent lower rainfall than normal in the June-September monsoon season, according to the India Metrological Department.

The western state's fibre output is estimated to drop 14.3 percent from a year earlier to 9 million bales in the new mar-

keting season that started on Oct. 1, he said.

In Maharashtra, the country's second-biggest cotton producer, output is expected to ease to 8.1 million bales from 8.3 million bales due to an attack of the pink bollworm pest, Ganatra said.

Indian farmers have adopted genetically-modified seeds known as Bt cotton that are resistant to bollworms, but it has not stopped the infestations.

Pink bollworms consume the fibre and seeds inside a cotton plant's boll, or fruit, and yields fall. Gujarat and Maharashtra account for more than half of the country's total cotton production.

"Due to less production exports are likely to reduce and import is likely to increase," he said.

Pakistan, China, Bangladesh and Vietnam are key buyers of Indian cotton.

In 2017/18, India exported 6.9 million bales of cotton.

Demand for Indian cotton is robust this year from China as a trade war is prompting the world's top consumer to avoid imports from the United States.



An employee works at a cotton processing unit in Gujarat.

REUTERS/FILE

# London court blocks Google mass legal action over iPhone data collection



REUTERS, London

London's High Court on Monday blocked an attempt to bring legal action against Alphabet Inc's Google over claims it had collected sensitive data from 4 million iPhone users.

The claimants had said Google had illegally accessed details of iPhone users' internet browsing data by bypassing privacy settings on the Safari browser between June 2011 and February 2012. Richard Lloyd, a consumer activist who was behind the "Google You Owe Us" court challenge, had estimated that about 4.5 million people had been affected by the "Safari Workaround" and wanted the tech giant to pay out several hundred dollars in damages to each affected individual.

Google had argued the mass case brought by Lloyd was not suitable and should therefore not go ahead. Lloyd said his group, to which 20,000 people had signed up to, would seek permission to appeal the decision.

"Today's judgment is extremely disappointing and effectively leaves millions of people without any practical way to seek redress and compensation when their personal data has been misused," he said in a statement.

"Google's business model is based on using personal data to target adverts to consumers and they must ask permission before using this data. The court accepted that people did not give permission in this case yet slammed the door shut on holding Google to account."

# China's credit loosening may not do much for commodity demand

CLYDE RUSSELL

**C**HINA'S commodity imports may get a shot in the arm from Beijing's decision to ease credit conditions in the world's second-largest economy, but it may not be as big a boost as followed prior monetary loosening.

The People's Bank of China on Sunday announced a steep 100 basis point cut in the level of cash that banks must hold as reserves, matching a similar move in April.

The easing of the reserve requirement ratios (RRRs) will inject a net 750 billion yuan (\$109 billion) into the banking system, making it easier for banks to extend credit.

The loosening of monetary conditions appears to be aimed at shoring up confidence in China's economy, which has been battered by the escalating trade war with the administration of US President Donald Trump.

There are signs that China's economy is feeling some pain from the tariff barriers being erected, with equity prices struggling and certain indicators, such as fixed asset investment, trending weaker.

In prior years, relaxing credit conditions has resulted in much of the freed-up cash being used for infrastructure and housing construction, thereby boosting demand for raw material such as iron ore, steel and copper as well

as thermal and coking coal for energy to process them.

There is generally some expectation that the extra cash in the economy will flow through to additional spending on commodity-intensive activity, such as building railways and apartment buildings.

But it's worth noting that April's lowering of the RRRs didn't really do much for the level of iron ore imports, which have remained in a narrow band for much of the year, and are down 0.5 percent in the first eight months of the year compared with the same period in 2017.

Coal imports have been stronger so far in 2018, but this is more likely a reflection of stronger demand for thermal power generation, as well as robust steel output and production restrictions on the domestic industry.

Official trade data for September has yet to be released, but vessel-tracking data compiled by Refinitiv suggests a pullback in seaborne coal imports in the month.

China's seaborne coal imports were 16.3 million tonnes in September, the data showed, down sharply from 19.9 million tonnes in August and the weakest month since February last year. A drop in coal imports may not be too surprising given it's currently the shoulder season between the summer and winter power demand peaks, and higher prices may also have caused some reluctance among Chinese buyers.

Iron ore imports also tracked weaker in September, but not by much, with the Refinitiv data estimating 86.4 million tonnes, down from August's 87.3 million.

Iron ore imports this year have held in a remarkably steady range, according to the vessel-tracking data, with March's 81.4 million tonnes being the softest and May's 91.3 million being the strongest.

What the data suggests is that China's demand for iron ore hasn't been much affected by either the trade dispute with the United States, or by earlier stimulus efforts.

Iron ore prices in China were also largely unmoved by the easing of

credit, with Dalian Commodity Exchange futures opening slightly stronger after the week-long national day holidays.

The front-month contract rose as high as 499.5 yuan (\$72.40) a tonne in early trade on Monday, up from a close of 493 yuan on Sept. 28, but by midday it was trading around 494 yuan.

This is perhaps recognition that any stimulus will take some time to work its way through the system and if there is any boost to commodity demand, it will take several months to materialise.

The opinions expressed here are those of the author, a columnist for Reuters.



Headquarters of the People's Bank of China, the central bank, are pictured in Beijing.

REUTERS/FILE

# Post-Brexit Britain welcome to join Pacific trade pact: Japan PM

AFP, Tokyo

Japan would welcome Britain to the Pacific trade deal "with open arms" after Brexit, Prime Minister Shinzo Abe has said in an interview published on Monday.

Abe told the Financial Times that Britain would lose its role as a gateway to Europe after Brexit, but would still be a country "equipped with global strength."

Eleven countries circling the Pacific signed a slimmed-down version of the Trans-Pacific Partnership or TPP in March -- opting to proceed with the trade deal after it was left for dead when US President Donald Trump pulled out to pursue his "America First" agenda.

The US president has since sparked fears of a trade war by levying steep tariffs



Japan's Prime Minister Shinzo Abe attends a news conference in Tokyo.

REUTERS/FILE

and denouncing unfair trading practices.

In the interview, Abe also urged Britain and the EU to make a compromise to avoid a no-deal Brexit.

"I hope that both sides can contribute their wisdom and at least avoid a so-called disorderly Brexit," Abe said.

"I truly hope that the negative impact of Brexit to the global economy, including Japanese businesses, will be minimised," he added.

Negotiations between Britain and the EU are currently gridlocked after Brussels rejected Prime Minister Theresa May's post-Brexit plan, with the clock ticking down until departure in March 2019.

Last month Japanese car giant Toyota warned that a no-deal Brexit would temporarily halt production at its plant in Derby, central England.

# German industrial production slips again in August

AFP, Berlin

German industrial production slipped again in August, official data showed Monday, amid fears that a global trade war could erupt. Production for August declined 0.3 percent from July, well under the expectation of a rebound of 0.15 percent forecasted by analysts surveyed by Factset financial services. The fall was however less severe than in July when industrial production dropped 1.3 percent.

The negative figure came as a reminder of the tense international economic outlook despite Friday's data showing a strong rebound in new orders for German industrial firms in August.

Production fell for investment goods and construction output in August. But others sectors, like consumer goods and energy posted a rebound. Economic growth in Germany has slowed from the high pace seen in late 2017, as trade war fears have weighed on confidence in the export-reliant country.