

Swiss watchdog probes banks over alleged payments system boycott

REUTERS, Zurich

Switzerland's competition watchdog has raided the offices of financial companies, including Credit Suisse and UBS, to investigate a suspected boycott of mobile payment solutions such as Apple Pay and Samsung Pay.

The competition authority said it was investigating whether the banks, including state-owned PostFinance, colluded with local payments providers not to use the mobile payment systems of the big tech companies.

"There is the suspicion that the companies agreed not to make their credit cards available for use with Apple Pay and Samsung Pay, in order to favor the Swiss solution TWINT," Competition Commission WEKO said in a statement on Thursday.

Some of the companies targeted in

the probe said the regulator's accusations were without merit.

"We are surprised about this investigation and are convinced that the allegations will prove to be unfounded," Credit Suisse said in a statement.

Credit Suisse said it offers Swiss consumers access to Apple Pay and Samsung Pay through its 50 percent subsidiary Swisscard and has also been in talks with Apple, Samsung and Google over how their solutions can be used.

UBS acknowledged the investigation and said it had tried to reach an agreement with Apple Pay over use of the Swiss bank's credit cards as early as 2016, but had not managed to come to an understanding with the company.

"Although we offered a number of

alternative solutions, unfortunately we weren't able to reach an agreement with Apple Pay to cooperate," a UBS spokeswoman said.

Postfinance, part of Switzerland's postal service and one of the country's largest banks, also said it did not breach Switzerland's cartel law and said it was cooperating with the WEKO probe.

TWINT AG, a joint venture between Switzerland's biggest banks to create a digital payments system, said it was "astonished" by the competition commission's approach.

TWINT said its offices were raided by the watchdog even though it is not under investigation. TWINT also said it had previously submitted a complaint against Apple over unfair competitive practices.



ILO

Tuomo Poutiainen, country director of International Labour Organization (ILO) for Bangladesh; Umesh Jadhav, managing director of Bureau Veritas (Bangladesh) Pvt Ltd; Shamsuzzaman Bhuiyan, inspector general of the Department of Inspection for Factories and Establishments (DIFE), and Aminur Rahman, project director of Remediation Coordination Cell (RCC), attend a deal signing ceremony between the ILO and Bureau Veritas at Six Seasons Hotel in Dhaka yesterday. Bureau Veritas will support the capacity of the DIFE's RCC under the ILO's "Improving Working Conditions in the Ready-Made Garment Sector in Bangladesh" project.

Asia rice: Indian rates up on firmer rupee; Thai harvest to shore up stocks

REUTERS, Bengaluru

Rice prices in top-exporter India nudged higher this week as the rupee firmed, while Thai exporters eyed fresh demand from the Philippines amid expectations of an increase in seasonal supply.

India's 5 percent broken parboiled variety was quoted around \$363-\$371 per tonne this week, versus \$362-\$369 last week.

"As the rupee has started to appreciate, we have to adjust export prices," said an exporter based at Kakinada in the southern state of Andhra Pradesh.

The Indian rupee rose 0.4 percent on Thursday to its highest level in nearly 8 weeks, trimming exporters' margins from overseas sales.

In southern and eastern states, supplies have started to arrive from the new season crop but they are expensive due to higher fixed government buying prices, said a Mumbai-based exporter.

India's rice exports dropped 9.6

percent to 5.8 million tonnes between April and September from a year earlier, as leading buyer Bangladesh trimmed purchases due to a bumper local harvest, a government body said earlier this week.

Meanwhile in Thailand, benchmark 5 percent broken rice prices were quoted at \$380-\$398 per tonne, free on board (FOB) Bangkok, unchanged from last week.

"There have been some minor deals with markets like Japan but they have had no impact on prices," a Bangkok-based trader said.

"Thai rice exporters are now watching the Philippines closely because their government will open the bidding process next week."

The Philippines' National Food Authority has issued an international tender to import up to 500,000 tonnes of rice with offers to be opened on Nov. 20.

"We see this as a major deal ahead of December," another trader in Bangkok said, pointing out that dur-

ing the mid-November to early-December period, the market expects an increase in supply due to the seasonal harvest.

In Vietnam, rates for 5 percent broken rice remained in the \$415-\$420 a tonne range seen last week.

"We haven't signed any new export deals over the past month as domestic supplies are scarce," a trader in Ho Chi Minh City said. "We wouldn't be able to secure sufficient rice if we got any new contracts now."

Egypt received offers for more than 500,000 tonnes earlier this week, including 50,000 tonnes from Vietnam, the trader said, adding that they were not sure if they will bid in the Philippines' state grains agency tender.

Vietnam is the world's third largest rice exporter.

"I think supplies in Vietnam won't pick up until the end of January when the winter-spring harvest peaks," another trader in the city said.



FBCCI

Md Shafiul Islam, president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), speaks at its annual general meeting for 2017-18 at Bangabandhu International Conference Center in Dhaka yesterday.

Parveen Mahmud joins board of Apex Footwear



STAR BUSINESS DESK

Parveen Mahmud has recently joined the board of directors of Apex Footwear as an independent director.

Mahmud is a fellow member of the Institute of Chartered Accountants of Bangladesh and also its first female president, Apex said in a statement yesterday.

She is also the founding managing director of Grameen Telecom Trust, a member of think tank the Centre for Policy Dialogue and the International Chamber of Commerce, Bangladesh and chairperson of MIDAS.

She is also a director of Transparency International Bangladesh, Brac International, Palli Karma-Sahayak Foundation, RDRS, Campaign for Popular Education, Manusher Jonno Foundation, Grameenphone and Linde Bangladesh.

Emirates' half-year profit slides 86pc on oil hike

AFP, Dubai

Emirates Airline on Thursday posted an 86 percent drop in half-year profits as the Middle East's leading carrier was hit by a hike in oil prices and currency devaluations.

The Dubai-based airline in a statement its net profit in the six months to September 30 was also impacted by other challenges and expected tough months ahead.

Emirates said it recorded a profit of just \$62 million in the first half of the 2018-2019 fiscal year compared with \$452 million in the same period last year.

"The high fuel cost as well as currency devaluations in markets like India, Brazil, Angola and Iran, wiped approximately 4.6 billion dirhams (\$1.25 billion) from our profits," said Sheikh Ahmed bin Saeed Al-Maktoum, chairman and chief executive of Emirates Group.

Emirates, one of the world's biggest airlines, said fuel costs rose by 42 percent compared with the same period last year.

The company, which flies to more

than 150 destinations, said the cost of fuel amounted to a third of its expenses.

Emirates is the world's largest operator of Airbus A380s with more than 100 of the superjumbos in its fleet.

"The next six months will be tough, but the Emirates Group's foundations remain strong," Sheikh Ahmed said in a statement.

In the six months to September 30, the airline carried 30.1 million passengers, a rise of three percent on the last fiscal year, the company said.

Emirates' revenues were 10 percent higher than the previous year at \$13.3 billion.

"We are proactively managing the myriad challenges faced by the airline and travel industry, including the relentless downward pressure on yields and uncertain economic and political realities in our region and in other parts of the world," said Sheikh Ahmed.

Profit for the Emirates Group, which also includes Dnata, a leading air services provider, was also down by 53 percent to \$296 million.

Tax fair receipts cross Tk 1,000cr in three days

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Yesterday, the show took place in 51 districts and 18 upazilas apart from all divisional cities. In Dhaka and Chittagong, the event is ongoing at Officers Club and at GEC Convention Centre respectively.

Until yesterday, 6.11 lakh people received services from taxmen at the fair.

The figure was 3.96 lakh the previous

year, according to the NBR.

The NBR said 15,764 new taxpayers joined the income tax network by signing up for taxpayers identification number in the first three days, up 176 percent year-on-year.

The fair will stay open from 9am to 5pm every day, including Friday and Saturday, said the NBR.

Indonesia surprises with rate hike after weak trade data

AFP, Jakarta

Indonesia hiked interest rates again Thursday as weak trade data and a slumping currency prompted the central bank to boost borrowing costs for the sixth time this year.

Bank Indonesia surprised analysts as it raised the key lending rate by 25 basis points to 6.0 percent, its latest policy move as the country tries to shield the slumping rupiah.

Earlier Thursday, Indonesia reported a worse-than-expected \$1.8 billion October trade deficit, putting pressure on the country's current account.

"This decision marks the central bank's further measures to strengthen efforts to reduce the current-account deficit to a safe level," bank governor Perry Warjiyo told reporters.

Indonesia has said it would slap higher taxes on imports and delay or restructure import-dependent infrastructure projects as part of a bid to tackle a growing deficit in the current account, a broad measure of its trade with the rest of the world.

The rupiah slumped to levels last seen during the late-1990s Asian financial crisis, although it recovered some ground in recent weeks.

BIBM superposes Tk 200cr credit guarantee scheme for SMEs

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He said most of the financial institutions show little interest in offering credit due to a perception of high risk and lack of sufficient collateral. The credit guarantee scheme will minimize the risks for financial institutions, he said.

He assured that central bank would think about the proposed scheme model.

SMEs in Bangladesh have to pay 14-18 percent as interest, which is much higher than the 10-12 percent interest for other businesses. According to the proposed model, the guarantee will cover 50 percent of the total loan. The loan limit will be Tk 3 lakh to Tk 20 lakh.

In turn, the lender will pay a guarantee fee to the government, which can range from 1.5 percent-2.5 percent of the loan amount based on the risk and maturity of a borrower. The guarantee period will be for three to five years. The guarantee fee has to be paid within 30 days of the first disbursement and special attention would have to be paid to ensure that the lender does not pass on this cost to the borrower.

Borrowers will get loans depending on their credit worthiness and payment behaviour. The rate of interest will not exceed 5 percent of the bank rate at that time.

The government should first formulate a credit guarantee scheme independently or jointly with a significant guarantee fund, according to the proposed model.



BEXIMCO

Peter Fahrenholtz, German ambassador to Bangladesh, visits Beximco Industrial Park in Gazipur on Wednesday.



STAR

Md Alamgir, managing director of Hotels International Ltd, owning company of Pan Pacific Sonargaon Dhaka, and the hotel's top officials pose with models and actors at the opening of a new outlet in the hotel, Pacific Avenue, in the capital on Wednesday.