

China's former trade negotiator questions tariff strategy

AFP, Beijing

China's former top trade negotiator has questioned Beijing's strategy in the trade row with Washington, offering a rare window into a policy disagreement in the Communist-ruled country.

Long Yongtu, who paved the way for the country's admission to the World Trade Organization, suggested the government erred by immediately retaliating against Washington tariffs by imposing levies on soybeans from the United States.

"I hope when you start hitting back you'll avoid hitting agricultural products," and leave them for last, Long said he advised before the trade war's first tariff volley this summer.

"Instead from the very start we hit their agricultural products and soybeans," China's former chief representative for trade negotiations said at a Caixin media business forum on Sunday.

China slapped 25 percent tariffs on American soybeans -- its single largest import from the US -- and other products in July immediately after Donald Trump fired at \$50 billion in Chinese imports.

The move was widely seen as an attack on Trump's agricultural base of electoral

support, and tacitly acknowledged as such by Chinese officials.

"I said from my experience in China-US trade, agricultural products are very sensitive, soybeans are very sensitive," Long said.

When China was negotiating its WTO entry, the US wanted to bring politics into the discussion, said Long.

"But if you talk politics you will never reach a deal," Long warned, recommending the world's top two economic giants engage narrowly on trade and avoid the larger strategic rivalry to strike a deal.

But Long's interlocutor on stage, and during the WTO negotiations nearly two decades ago, former US Trade Representative Charlene Barshefsky, cautioned that the gulf between the two powers was expanding.

"China's economy and economic policies have been on a divergent course from market economics... accelerating in the last four or five years," Barshefsky told the Caixin forum.

The shift to a state-led system is a "fundamental conflict between China and the United States and other countries Europe, Japan, Australia", she said.

"It is difficult to resolve."

German growth to rebound toward year-end

REUTERS, Frankfurt

German growth will rebound after a poor third quarter as the economy works through one-off issues that held it back through the summer months, the Bundesbank said in a monthly economic report on Monday.

The GDP of the euro zone's biggest economy dropped by 0.2 percent last quarter with the fall due almost entirely to weakness in the car industry, which struggled to adjust to new emission testing requirements.

"By the end of the year, the German economy is likely to expand quite strongly again," the Bundesbank said. "Overall economic production capacity will continue to be utilized far above average."

It added that employment growth is solid and labor demand remains high, even as the economy is already struggling with labor shortages, which has pushed up wages.

In Dubai, US sanctions pressure historic business ties with Iran

REUTERS, Dubai

With its Persian restaurants and shop signs in Farsi, Murshid Bazaar, a dense maze of alleys in Dubai's old quarter, has for decades been a centre for small-scale trade with Iran.

That is changing. One in every dozen or so shops in the once-bustling area is shuttered or carries a "for rent" sign. Indian and Pakistani merchants now far outnumber the Iranians who used to dominate the area.

The Iranians who stayed say the fallout from US sanctions has made their jobs harder. Dubai has long been one of Iran's main links to the outside world, but trade between the two has slowed as sanctions approached.

Imposed in early November and August, the sanctions target Iran's rial currency, autos, metals, oil and banking.

The saffron, clothing and processed foods that the Iranians sell in the bazaar are not directly targeted but the merchants say business conditions have got worse.

Banks in the United Arab Emirates, including in Dubai, have become more reluctant to work with Iranians for fear of exposing themselves to US legal action. And the rial's nearly 70 percent fall against the US dollar this year has made business with Iran risky.

Landlords in the bazaar are offering

to waive two months of rent for prospective tenants, said businessman Aftab Hasan, a member of the city's Iranian Business Council.

"A lot of Iranians have shut down their stores," finding it harder to do business in Dubai, he said. Some are considering whether to leave the city in search of other bases for their operations, he added.

The deteriorating bank ties also threaten a larger re-export trade of other countries' goods to Iran through Dubai's ports and airports. In the past, these have included cars and auto parts, consumer electronics, machinery, glass and plastics.

Last year, 29 percent of Iran's \$71.5 billion imports passed through the UAE, according to International Monetary Fund data. The vast majority moved via Dubai, which does not disclose timely data on its trade with Iran.

Two-way trade between Iran and the UAE shrank to \$1.75 billion in July from \$2.49 billion last December. In 2014, at the height of the previous sanctions period, monthly trade averaged \$1.92 billion.

Mehrdad Emadi, an Iranian economist who heads energy risk analysis at London's Betamatrix consultancy, said rial weakness triggered by the approach of the sanctions had hurt trade because Iran reduced imports as

they became more expensive.

"When you have a massive currency devaluation, import prices rise, and wages did not rise as fast in Iran so people were forced to cut back," he said.

Visits to the Gulf this year by US Treasury officials to discuss the legal enforcement of sanctions, made the region's banks nervous of links with Iran, Emadi said. This made it harder to arrange payments for trade, he added.

Banks in Dubai no longer open accounts for Iranians without obtaining the co-signature of a UAE national and demanding a series of documents, said the Iranian manager of a herbs and spices shop at Murshid Bazaar. International money transfers through banks have largely become impossible, he said.

UAE central bank governor Mubarak Rashed al-Mansoori said this month that UAE banks were cautious about Iran business because of their need to keep relations with clearing banks in the United States.

He said two Iranian banks, Bank Melli and Bank Saderat, which largely serve Iranians, would continue operating in the UAE.

UAE Ministry of Economy officials could not be reached to comment on sanctions policy. The Dubai government referred questions on sanctions to the UAE economy ministry.



Abdul Kadir Molla, a director of South Bangla Agriculture and Commerce (SBAC) Bank, cuts a ribbon to open the bank's 67th branch at Bhulta area of Rupganj in Narayanganj on Sunday.

Oil rises for a fourth day, buoyed by Opec supply plans

REUTERS, London

Oil rose for a fourth session in a row on Monday, buoyed by the prospect that top exporter Saudi Arabia will push OPEC and maybe Russia to cut supply towards the end of this year.

Brent crude futures were up 24 cents at \$67.00 a barrel by 1000 GMT, while US futures rose 38 cents to \$56.84.

"Oil prices continued to recover ... (as) the market will be watching closely for the possible impact of a (supply) cut," said Sukrit Vijayakar, director of Indian energy consultancy Trifecta.

The Organization of the Petroleum Exporting Countries, led by Saudi Arabia, is pushing for the group and its partners to reduce output by 1 million to 1.4 million barrels per day to prevent a build-up of unused fuel.

"It appears that the market takes a production cut for granted. We'll see if it is right after the next OPEC meeting on December 6. It is not unreasonable to anticipate stable prices until then," PVM Oil Associates strategist Tamas Varga said.

Russian Energy Minister Alexander Novak said on Monday that Russia, which is not an OPEC member, planned to sign a partnership agreement with the group, and that details would be discussed at OPEC's Dec. 6 meeting in Vienna.

Despite Monday's gains, Brent is almost 25 percent below early October's 2018 peak of \$86.74, as evidence of slowing demand has materialised and output from the United States, Russia and Saudi Arabia hit historic highs.

A US decision to grant waivers to some of Iran's oil customers, who faced

the prospect of a drop-off in supply from sanctions that came into force in early November, has also helped soothe concern about availability of crude. A trade dispute between the United States and China is one reason investors are a lot warier about the outlook for oil demand growth next year. Fund managers cut their bullish exposure to crude futures and options to the lowest since around mid-2017 this month.

Weekly exchange data shows money managers hold a combined net long position equivalent to around 364 million barrels of US and Brent crude futures and options, down from over 800 million barrels two months ago.

"The main trend remains bearish as investors no longer believe in a risk of supply tightness for crude," ActivTrades chief analyst Carlo Alberto De Casa said.

Leather tech show begins Thursday

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The announcements came at a press conference at Best Western La Vinci Hotel in Dhaka yesterday.

Over 300 exhibitors from 20 countries will showcase finished leather, machinery for tanning and manufacturing footwear and leather goods along with components, dyes and chemicals, accessories and allied products, said Tipu Sulatan Bhuiyan, director of ASK.

Md Saiful Islam, president of the LFMEAB, said the expo would help the leather sector source the latest technologies and finished leather and develop compliance.

He said with continuous growth and government support, the sector was striding towards exports of \$5 billion by 2021.

Nanda Gopal K, an ASK director, and Kazi Rawshan Ara, executive director of the LFMEAB, were present.

Calls getting louder for online return submission

FROM PAGE B1

The tax collector got a record Tk 2,468 crore from the weeklong fair, up 11 percent year-on-year.

The number of tax returns surged 45 percent from a year earlier to 4.87 lakh, which is also the highest since the start of the fair in 2010, launched by the NBR with the view to creating a tax culture.

"It is a good feeling to submit returns in a festive atmosphere," said Md Monir Hossain, a banker.

But he suggested the authority increase the duration of the fair and hold the fair in Dhaka in at least two venues given the city's traffic situation.

"We submitted our returns in about 15 minutes, but we had to commute two hours from Mirpur to get here," said Tawfica Afsana, a teacher at Bhashantek Government Secondary School.

Although online returns submission would be a solution, her colleague Mahmuda Khatun Laboni is not keen on the idea.

"There is a risk of hacking," she said.

Md Mizanur Rahman, a new taxpayer, advised the NBR not restrict returns submissions to field office from which TIN numbers are registered.

Many salaried taxpayers usually get transferred from one place to another, but they cannot submit their returns if

they are posted in a region where they do not have tax files.

Rahman, who works in a steel company, went on to cite a case in which a taxpayer could not submit his return at the fair in Dhaka as he is registered at the field office under Cumilla.

"Ideally, we would like to file returns from the comforts of our home," he added.

Rahman's opinion echoes that of Kafi and many other youths, who have been showing greater interest to pay tax.

"The tax return form should be easy to fill and many youths will be interested if the option for online return submission and payment is made available and user friendly," Kafi said, while suggesting a mobile app to facilitate returns submission.

He is aware that many people around him either do not pay tax at all or pay by showing a lower income and asset.

"As a citizen I feel that I should pay tax. Others should do the same," he said, while calling for more sincerity from the taxmen towards their profession to curb tax evasion.

There are allegations that many people in the tax office are involved in corruption and they help dishonest taxpayers avoid furnishing the coffer of the state, which has to depend largely on borrowing to finance bud-

getary expenditure owing to inadequate revenue collection.

Income or direct tax is the second biggest source of revenue, followed by value-added tax or consumption tax, although taxmen and analysts maintain that a large number of people do not pay tax despite having taxable income.

Organising tax fairs is a step in the right direction, Kafi said, while calling for more initiative to raise mass awareness.

His colleague Sheam Sufiean had more to say.

"Where is my tax money going?" he said, while demanding transparency and accountability in the use of taxpayers' money.

"I am paying my tax. But am I getting adequate services from the state?"

The views of Sufiean, who is in his 20s, reflect the findings of a recent survey by the Centre for Policy Dialogue.

The organisation found that 85 percent of the taxpayers believe that increased provision and quality of public services will induce people to pay taxes.

"Invest more on public services including education, health, infrastructure and social protection. Establish Public Expenditure Review Commission," the report said.

RBI board agrees to improve liquidity

REUTERS, Mumbai/New Delhi

The board of the Reserve Bank of India (RBI) on Monday agreed to ease liquidity for the financial sector and increase credit to small businesses, two sources present at the meeting said.

The move comes in response to pressure from Prime Minister Narendra Modi's government which faces a general election by next May and is concerned that low farm prices and difficulties small businesses face in borrowing, may hurt its prospects with voters.

Some more contentious issues were kicked down the road to be discussed by newly formed committees, the sources said.

The government has been pressuring the RBI to reduce capital ratios for banks to speed up loans to small businesses, a key vote bank for Modi.

Bitcoin sinks to new 13-month low

REUTERS, London

Bitcoin slumped to a new 13-month low on Monday, with the biggest cryptocurrency touching \$5173.23 on the Bitstamp platform BTC=BTSP.

Bitcoin was last down 5.2 percent at \$5270. The cryptocurrency, and other lesser coins including ethereum and XRP, endured a sell-off last week, with some blaming fears that a "hard fork" in bitcoin cash, where the smaller coin that split into two separate currencies, could destabilize others.

Bangladesh Lamps Limited

Sadar Road, Mohakhali
Dhaka - 1206

Notification for general information of the shareholders

This is for the kind information of all our valued shareholders that the Annual Report 2017-2018 of Bangladesh Lamps Limited, in soft form, including all relevant annual audited financial statements, management's discussion and analysis, report or certificate on compliance of the Corporate Governance Code and Directors' Report along with the notice of the 57th Annual General Meeting, etc., has been transmitted to the respective shareholders of the Company through their email ID available in their beneficial owner (BO) accounts with the depository.

The said Annual Report 2017-2018 is also available in the website of Bangladesh Lamps Limited (www.bll.com.bd).

This is in compliance with the Bangladesh Securities and Exchange Commission's Notification No. BSEC/ CMRRCD/ 2006-158/ 208/ Admin/ 81, dated 20 June 2018.

Dhaka
20-11-2018

Mohammad Ruhan Miah
Company Secretary

ট্রান্সটেক

TRANSTEC



SM Saiful Hoque, Bangladesh's ambassador to Russia, opens a "4th Development Fair-2018" at the embassy in Moscow on Saturday. Tamal SM Parvez, chairman of NRBC Bank, was also present at the fair where the bank participated.