



Habibur Rahman and Md Abdul Halim Chowdhury, chairman and managing director respectively of Pubali Bank, and Brig Gen AKM Nasir Uddin, director of Dhaka Medical College Hospital, attend the launch of a cash deposit and bill collection booth on the hospital premises yesterday.

Microsoft's stock market value pulls ahead of Apple's

REUTERS, San Francisco

Microsoft Corp's stock market value surpassed Apple Inc's, pulling ahead by as much as \$3 billion on Wednesday as the Windows software maker benefited from optimism about demand for cloud computing services.

Shares of Microsoft jumped 3 percent, pushing its market capitalisation up to \$848 billion. With the broad market rebounding from a recent slump, Apple also rose, but less than Microsoft. Its 2.17 percent increase put Apple's market capitalisation at \$845 billion, just four months after the iPhone maker breached the \$1 trillion mark for the first time.

Microsoft and Apple briefly traded at about the same level after the bell on Monday, but Microsoft's intraday lead over Apple on Wednesday was more substantial.

Both companies' market capitalizations were calculated using out-

standing shares reported in their most recent 10-Q filings.

Apple's market capitalisation overtook Microsoft's in 2010 as the Windows seller struggled with slow demand for personal computers, due in part to the explosion of smartphones driven by Apple's iPhone.

Since then, Microsoft has not ended an official trading session with a stock market value greater than Apple's.

Shares of several cloud software makers also rose on Wednesday after Salesforce.com Inc's upbeat quarterly earnings boosted Wall Street expectations for the fast-growing sector, which faced pressure in the recent sell-off in technology stocks.

Since Satya Nadella took over as chief executive in 2014, Microsoft has reduced its reliance on Windows software for PCs and became a major player in cloud computing, second

only to Amazon.com Inc.

In recent months, technology shares have been punished as investors worried about rising interest rates and fallout from the U.S.-China trade war.

But Apple has suffered more than other Silicon Valley stalwarts, losing 19 percent since the iPhone maker warned on Nov. 1 that crucial holiday-quarter sales would likely miss Wall Street expectations.

Global demand for smartphones has slowed in recent years, making it more difficult for Apple to increase its revenue.

Thirty-three analysts recommend buying Microsoft's stock, while just one has a negative rating and another has a neutral rating, according to Refinitiv data.

Twenty-six analysts have positive ratings on Apple, another 16 are neutral, and none recommend selling its stock.

Swiss economy stumbles in third quarter

AFP, Zurich

Switzerland's economy abruptly went into reverse in the third quarter, contracting by 0.2 percent, with exports tumbling and even the country's vaunted financial sector seeing growth halt.

"The strong, continuous growth phase enjoyed by the Swiss economy for one and a half years was suddenly interrupted," said the State Secretariat for Economic Affairs (SECO).

"Switzerland is thus following the significant economic downturn seen at the same time in other European countries, particularly Germany," it added in its statement.

Germany, Europe's powerhouse, also registered a 0.2 percent drop in the third quarter, while other European economies have seen growth slow as global uncertainty mounts due to threats by the United States to rip up trade deals and slap tariffs on imports.

Switzerland's 0.2 percent drop in gross domestic product in July through September, compared with the previous three months, was due in considerable part to a drop in exports.

Switzerland's economy is heavily geared towards exports, and total exports of goods slumped 4.2 percent.

Supply chain reaction: trade war refugees race to relocate to Vietnam, Thailand

REUTERS, Hong Kong/Bangkok

Fred Perrotta spent four years building a network of Chinese suppliers for his line of trendy backpacks, but as soon as the United States announced tariffs on almost half of its Chinese imports, he started looking for suppliers in other countries.

That process is now so far advanced it would be too late to reverse it even if US President Donald Trump and his Chinese counterpart Xi Jinping call a truce in their growing trade war at this week's G20 summit, the 33-year-old said.

Perrotta's company, Tortuga, is joining what industry experts say is the biggest shift in cross-border supply chains since China joined the World Trade Organisation in 2001.

The shift is creating stiff competition to secure new facilities in neighboring countries and rebuild supply chains outside of China, home to a fifth of global manufacturing.

"Everyone is nervous and scrambling around," Perrotta said by phone from Oakland, California, where he recently took delivery of the first samples from a potential new supplier in Vietnam.

"Long-term, we will probably shift everything."

The scramble is driven by the risk of more, and higher, US tariffs on China, and fears that nearby emerging economies can only accommodate new businesses on a "first come, first served" basis.

Vietnam and Thailand are emerging as preferred destinations, but they still face capacity constraints ranging from red-tape to skilled labor and limited infrastructure.

Reuters interviews with more than a dozen company executives, trade lawyers and lobby groups in various industries revealed a frenzy of activity across Asia in recent months: executives are requesting product samples, touring industrial parks, hiring lawyers and meeting with officials.

In June, Hong Kong-listed furniture maker Man Wah Holdings bought a factory in Vietnam for \$68



Labourers work at a garment factory in Bangkok, Thailand.

million and said earlier this month it plans to almost triple its capacity to 373,000 square meters by the end of 2019. "The acquisition is to mitigate the risks posed by tariffs," Man Wah said in a statement.

Vietnam-based industrial real estate developer BW Industrial says inquiries have surged since October, and all its factories are now leased out.

"The manufacturers are from all over the world but they all have production plants in China and need to start production ASAP," Chris Truong, a sales manager at BW Industrial told Reuters.

In Thailand, SVI Pcl, which provides electronics and manufacturing solutions, said it has just selected four new deals worth about \$100 million with existing customers who have operations in China.

"The trade war is good for us," CEO Pongsak

Lothongkam said. "We have been approached by so many companies that we have to prioritize."

KCE Electronics, Southeast Asia's biggest maker of printed circuit boards (PCBs), has been contacted by US companies who want to seek a new supplier to replace one in China, CEO Pitharn Ongkosit told Reuters.

"It's a good opportunity. Many customers have contacted us to ask about our products and prices. But there are no sales yet as it will take time," he said. Stars Microelectronics Pcl, another Thai electronics manufacturing services provider, is also getting new business.

"Two (or) three companies will start moving their production base (out of China) to us soon," CEO Peerapol Wilaiwongstien said.



KAM Majedur Rahman, managing director of Dhaka Stock Exchange, speaks at the inauguration ceremony of a two-day "AIUB International Conference on Business and Management" organised by American International University-Bangladesh (AIUB) at its auditorium in Dhaka yesterday.



Khourshed Alam, head of sales at DBL Ceramics, opens the company's seventh dealer outlet on Jubilee Road in Munshiganj.

US slams harmful China trade policies, threatens auto tariffs

AFP, Washington

US Trade Representative Robert Lighthizer on Wednesday slammed Beijing for failing to offer "meaningful reform" on aggressive trade policies that harm US workers and industry, and threatened tariffs on Chinese autos.

The latest trade threat against China comes days before President Donald Trump is due to meet with Chinese leader Xi Jinping at a G20 summit in Argentina to defuse the ongoing trade conflict between the world's top two economic powers.

Instead, Lighthizer's statement escalated the dispute further, saying: "China's aggressive, state-directed industrial policies are causing severe harm to US workers and manufacturers."

And while talks continue, "As of yet, China has not come to the table with proposals for meaningful reform," he said. The country's policies on auto tariffs are "especially egregious," taxing US cars at more than double the rate it charges other countries.

"At the president's direction, I will examine all available tools to equalize the tariffs applied to automobiles," he said. Trump already has imposed steep punitive tariffs on about half of the Chinese goods imported into the US market each year, and has threatened to target the remaining \$267 billion as well -- which would hit Apple iPhones and laptops produced in China.

Earlier this month, Xi and Trump discussed the US-China trade conflict during a phone conversation that Trump called "very good."

Xi said he was "very happy" to talk

to Trump again.

But tensions came to the fore again at a summit when Xi and US Vice President Mike Pence delivered competing speeches criticizing each other's trade and investment practices.

Xi lashed out at "America First" trade protectionism, while Pence warned smaller countries not to be seduced by China's massive Belt and Road infrastructure program.

Trump heads to Buenos Aires on Thursday for a Group of 20 summit that is confronted with increasingly dire warnings, by the International Monetary Fund among others, of the potential harm faced by the world economy from the president's trade wars.

Trump is due to meet Xi for a work-

ing dinner at the summit that runs Friday and Saturday.

Economic advisor Larry Kudlow told a White House press conference that "the president said there is a good possibility that we can make a deal and he is open to it."

Despite Kudlow's repeated insistence that Trump sees cause for optimism, he also underlined the tough conditions that the administration wants to impose on Beijing.

"China should change its practices and come into the community of responsible trading nations," Kudlow said, stressing that he considers the US economy in far better shape than China's to weather a prolonged trade war.

"We are in a position to deal with it and handle it very well," he said.



Newly manufactured cars are seen at the automobile terminal in the port of Dalian in China.