

## MIDAS gets new chairman

STAR BUSINESS DESK

Anjan Chowdhury has recently been elected chairman of the Micro Industries Development Assistance and Services (MIDAS).

The board of directors of MIDAS elected Chowdhury during a board meeting on December 20, says a statement.

Ali Imam Majumder has also been included as a director from the MIDAS general body.

Chowdhury, a freedom fighter, is one of the key stakeholders of Square Group, a leading business conglomerate in Bangladesh.

He is the managing director of Square Toiletries Ltd, chairman of Maasranga Productions Ltd and a director of Square Pharmaceuticals Ltd, Square Textiles Ltd and Square Hospitals Ltd.

He was recognised by the government as a CIP in different years since 2005 and as one of the nation's top taxpayers since 2008.

Chowdhury was a former president of Bangladesh Agro Processors Association, vice president of the Association of TV Company Owners and president of the Airline Operators Association of Bangladesh.

He was awarded National Sports Award 2009 for his outstanding contribution to sports activities and National Film Award 2010 as best producer in 2011 for the movie Monpura.

Chowdhury studied management at the University of South Florida.



Anjan Chowdhury

## China issues 'negative' investment list

REUTERS, Beijing

China issued on Tuesday a so-called "negative" list that specifies industries where investors, domestic or foreign, are either restricted or prohibited, as part of efforts to standardize market entry rules for all players.

Of the 151 sectors on the list, four are prohibited and the rest requires government approval, according to an 83-page document released by the National Development and Reform Commission (NDRC) at a news conference.

Industries not on the list are open for investment to all and require no approval.

The prohibited areas include "illegal financing" and "unlawful internet activities", according to the document. Areas that require approval include mining, agriculture and manufacturing.

The list, long anticipated by the market, applies to all parts of the country and to all kinds of investors - foreign or domestic.

The first version of the list was issued in 2016 on a trial basis in four provincial regions with free trade zones. It was

extended to another 11 provinces and cities last year.

China's trading partners have repeatedly called on Beijing to take concrete steps to further open its market to foreign firms and provide a level playing field.

The new list is different from the negative list for foreign investment issued by the commerce ministry in June, according to Xu Shanchang, director of Economics System Reform at NDRC.

China to remove some import, export tariffs including alternative feed meals

"For areas that are not on the negative list for foreign investment, we will supervise in accordance with the principle of being equal to domestic and foreign business," Xu said at the news conference.

For foreign investors looking to invest in China's markets, they should look at the negative list for foreign investment first, Guo Liyan, an NDRC researcher, told Reuters.

"And if it's not on the list, you can look at the national list - it does not discriminate against any form of market entities," Guo said.

## Obhai offers loyalty rides

STAR BUSINESS REPORT

Ridesharing app Obhai has recently launched ObhaiMiles, a programme through which customers will be able to earn loyalty points on ride payments, which can be used to redeem more rides.

The offer, subject to redemption policies, was made available from the first week of December, reads a press release.

Obhai started its journey at the beginning of this year, creating much hype through a dedicated service for female users called Obon and pioneering app-based CNG auto-rickshaw service in Bangladesh.

The app allows drivers and passengers to track vehicles on their smartphones. It currently has more than four lakh users and over one lakh registered drivers in Dhaka, Chattogram and Sylhet.

## Nigeria resolves \$8b row with MTN

AFP, Lagos

Nigeria said it has resolved a dispute with Africa's largest mobile operator over \$8.13 billion (6.96 billion euros) which it accused MTN of illegally repatriating to South Africa.

Africa's biggest telecoms market Nigeria shocked MTN and foreign investors in August when it ordered it to refund the money, and fined four commercial banks involved in the transfer.

The Central Bank of Nigeria (CBN) claimed the South African company had not obtained approval before transferring the funds between 2007 and 2015.

The row between forced MTN's shares to slump drastically.

But in a statement late Monday, the CBN said the telecoms group had provided additional information and documents, clarify-

ing its remittances.

Local media said MTN had paid \$53 million as a penalty to settle the matter with the CBN, while further talks will be held with the banks that were penalised on how to deal with their sanctions.

Following the agreements between the two parties, all court cases pertaining to the matter would now be resolved, the bank added. MTN management was not immediately available for comment.

The sanction was the latest to hit MTN since it began operations in Nigeria 17 years ago. It was fined \$5.2 billion in 2015 by Nigeria's telecoms regulator NCC for failing to disconnect unregistered SIM cards on its network.

The fine was later reduced to \$1.7 billion after a series of negotiations with the Nigerian government.



NRB BANK

Mohammed Mahtabur Rahman, chairman of NRB Bank, opens the bank's 40th branch in Sylhet on Monday. Md Mahmood Husain, CEO, was present.

## Japan ready to act to curb yen volatility

REUTERS, Tokyo

A Japanese official said on Tuesday that volatility was rising in the currency market and the government stands ready to take necessary steps if the market becomes too erratic.

"Volatility is rising. Each country shares the G7/G20 view that excess volatility and disorderly moves are undesirable for the economy," Masatsugu Asakawa, vice finance minister for international affairs, told reporters.

"We will keep close watch on market moves with a sense of urgency, while thoroughly checking to see if there's any speculative move," he said.

Speaking after a meeting with his coun-

terparts from the Bank of Japan and Financial Services Agency to discuss market developments, Asakawa said the government would take action as appropriate if volatility increases. He did not elaborate what action would be called for.

Asakawa's comments underscored Japan's concerns about the return of a strong yen. Authorities tend to be sensitive about signs of the yen gaining strength as a strong currency would undermine the country's export-led economic recovery.

The dollar fell to a four-month low of 110 against the safe-haven yen on Tuesday as Nikkei index dropped more than 5 percent to a 20-month low after a slide on Wall Street deepened amid US political turmoil.

### Sonali Bank to offer services in economic zones

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It is not possible to attract new foreign direct investment without ensuring updated banking services and state-of-the-art technologies, Paban Chowdhury, executive chairman of Beza, said at the MoU signing ceremony.

"I hope Sonali Bank will launch its services in the zones in the shortest possible time for the sake of the investors."

Fazle Kabir, governor of Bangladesh Bank, and Md Ashraf Moqbul, chairman of Sonali Bank, were also present.

## Digital services hit by election nerves

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However, the industry was estimating a spike of at least 10 percent ahead of the general election, he said. "We have been observing an unusual downtrend in business, which we didn't expect," said Ekram Kabir, a vice-president of Robi.

Voice and data are both showing unusual dip, and even an innovative digital campaign could not prevent the downturn, he added. "In my career I have never seen this type of sales decline in a single month," said Rezwanul Haque, the immediate past general secretary of the Bangladesh Mobile Phone Importers Association.

In December, handset sales slumped 30-40 percent from the previous month. "We are stunned by the crash in sales," said Haque, also the chief executive officer of Transsion Bangladesh, a Chinese handset manufacturer.

In terms of mobile handset sales, this year has been the worst in five years and for the first time smartphone sales declined in negative growth, he added.

Broadband service providers also said they were observing a slump in business volume in December, with customers raising huge complaints.

Google users in Bangladesh have been facing difficulty in accessing Gmail, Google Ads and Google Drive in the last two weeks due to the government blocking certain websites and portals. "That impacted the business," said Mohammad Aminul Hakim, president of the Internet Service Providers Association of Bangladesh.

However, e-commerce businesses said they were yet to register a drop in sales but they too apprehended their orders might decline in the next couple of days.

## Jute industry going thru' rough patch

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Shipment of yarn and twine sank 26 percent year-on-year to \$212 million in the first five months of the fiscal 2018-19.

Overall, export of jute and jute goods were 22 percent down to \$351.5 million during the period, according to the Export Promotion Bureau.

China is one of the biggest markets for jute goods, particularly yarn.

Yarns are used by Chinese buyers to make finished products for exports. "It appears that the US-China trade war has an implication on the demand for our yarn," said BJSA Secretary General Shahidul Karim.

The crisis for millers intensified further as they had to count extra for the soaring prices of raw jute, according to industry insiders.

On the other hand, the prices of jute goods remained low, said Huq, adding many mills cut production in the face of falling global demand. Production dropped 15-20 percent in the last three months.

The use of jute sacks and bags for packaging of certain commodities, including rice, because of the mandatory packaging law has provided a cushion to millers. "Yet it does not save us from the losses."

The current situation will continue if the prices of jute goods and raw jute do not increase, Huq added.

## Dollar slips to 4-month low vs yen amid turmoil in Washington

REUTERS, Tokyo

The dollar fell against the safe-haven yen and Swiss franc on Tuesday as investors cut their exposure to riskier assets amid the partial U.S. government shutdown and signs of confrontation between the White House and the Federal Reserve.

The dollar fell 0.39 percent to 110.00 yen, its lowest level since late August and is set to fall for an eighth straight session against the Japanese currency, with London and New York shut for Christmas.

The yen also hit a 16-month high against the British pound, trading at 139.90 yen and a four-month high against the euro, at 125.60 yen.

The Swiss franc rose 0.2 percent against the dollar to a 12-week high of 0.98355 to the dollar, extending its 0.9 percent rise on Monday, its biggest daily gain in 11 months.

Gold rose to a six-month high of \$1,269.30 per ounce on Monday.

U.S. stocks plunged more than 2 percent while oil prices sank more than 6 percent in a holiday-shortened Monday trade, as developments in Washington added to investors'

concern about a slowdown in the global economy next year.

"People are saying this is a black Christmas," said a veteran currency trader at a major Japanese bank.

Wall Street's volatility index, which measures the implied volatility of stocks and is often seen as a fear gauge for investors, jumped to 36.10, the highest since Feb. 6, when it briefly shot up to as high as 50.30.

U.S. President Donald Trump blasted the Federal Reserve on Monday, describing it as the "only problem" for the U.S. economy, only days after reports surfaced that Trump had discussed firing Federal Reserve Chairman Jerome Powell.

"If talk of firing Powell becomes more realistic, that would undermine the Fed's independence as a central bank and ultimately confidence in the dollar," said Ayako Sera, market economist at Sumitomo Mitsui Trust Bank.

As a sell-off in equities escalated, U.S. Treasury Secretary Steven Mnuchin hosted a call with the president's Working Group on Financial Markets, a body known colloquially

as the "Plunge Protection team".

But holding such a meeting, which is normally only convened during times of heavy market volatility, did little to soothe the market. Some said the move may have backfired by hurting investor sentiment.

Trump also sparred with top Democrats in Congress over the partial shutdown of the U.S. government on Monday, with no sign of tangible efforts to reopen agencies.

Washington's latest problems come on the heels of a major sell-off in global shares since early October on worries about Sino-U.S. tensions, higher U.S. interest rates and a waning boost from Trump's tax cuts to the U.S. economy.

With many markets closed for Christmas, moves in other currencies were limited. The euro was little changed at \$1.1410, having gained 0.33 percent on Monday.

Commodity currencies faced fresh pressure as oil prices tumbled more than 6 percent on Monday.

The Canadian dollar traded at C\$1.3584 per U.S. dollar, having hit a 19-month low of C\$1.3614 on Monday.



JMI SYRINGES & MEDICAL DEVICES

Md Javed Iqbal Pathan, chairman of JMI Syringes & Medical Devices, and Md Abdur Razzaq, managing director, attend the company's 19th annual general meeting at a hotel in Dhaka on Monday. The company approved 30 percent cash dividend for its shareholders.