



**MD Arfan Ali, president and managing director of Bank Asia, and MM Monirul Alam, CEO of Guardian Life Insurance, exchange signed documents at the bank's corporate office in Dhaka yesterday. The bank's unsecured borrowers will be insured under a project titled "Bank Asia-Guardian Insurance".**

## H&M blames online investment for latest profit decline

REUTERS, Stockholm

Sweden's H&M disappointed investors with a 10 percent tumble in quarterly profit, the world's second largest fashion retailer blaming investment aimed at boosting its online business for the decline.

Profit fell for the third straight year in 2018 because of competition from the likes of Zara, Primark and ASOS and as the shift to online shopping hit trading at its core budget stores.

"It has been a challenging year for H&M group and the industry but after a difficult first half, there are signs the company's transformation efforts are beginning to take effect," CEO Karl-Johan Persson said in a statement.

H&M has invested heavily in logistics

and digital technology and is reviewing its mix of stores and brands, while also working on a new H&M store concept. H&M spent around 450 million Swedish crowns on logistics and technology in the last three months of its financial year, including resolving problems it flagged earlier in 2018 and switching to a new online platform in its biggest market Germany.

"H&M's investments in its offer are more than the market anticipated and may disappoint those looking for signs of margin normalisation," said RBC Europe analyst Richard Chamberlain.

Shares in the Swedish company were down 1.7 percent after pretax profit for September-November shrank for the sixth straight quarter to 4.4 billion crowns (\$482 million).

## Central banks buy most gold since 1967

REUTERS, London

A surge in gold purchases by central banks to the highest since 1967 helped push global demand for the metal up 4 percent last year, the World Gold Council (WGC) said on Thursday.

The world consumed 4,345.1 tonnes of gold in 2018, up from 4,159.9 tonnes in 2017, the WGC said in its latest quarterly demand trends report.

Driving the increase were central banks which bought 651.5 tonnes - 74 percent more than in 2017 and the second highest annual total on record - as countries including China and Poland joined Russia, Turkey and Kazakhstan in adding to their reserves, the WGC said.

Jewellery demand was relatively unchanged at 2,200 tonnes, with rising consumption in China, the United States and Russia offsetting a steep decline in the Middle East and a very slight fall in India.

Retail investment in gold bars and coins grew 4 percent to 1,090.2 tonnes - helped by a sharp 222-percent rise in demand in Iran to almost 62 tonnes, according to the WGC.

## India's jobless rate hit 45-year high in 2017-18

REUTERS, New Delhi

An official survey that has been withheld by the government shows India's unemployment rate rose to a 45-year high during 2017-2018, the Business Standard newspaper reported on Thursday, delivering a blow to Prime Minister Narendra Modi just months before what is expected to be a closely fought general election.

The assessment by the National Sample Survey Office conducted between July 2017-June 2018, showed the unemployment rate stood at 6.1 percent, the highest since 1972-73, the newspaper reported.

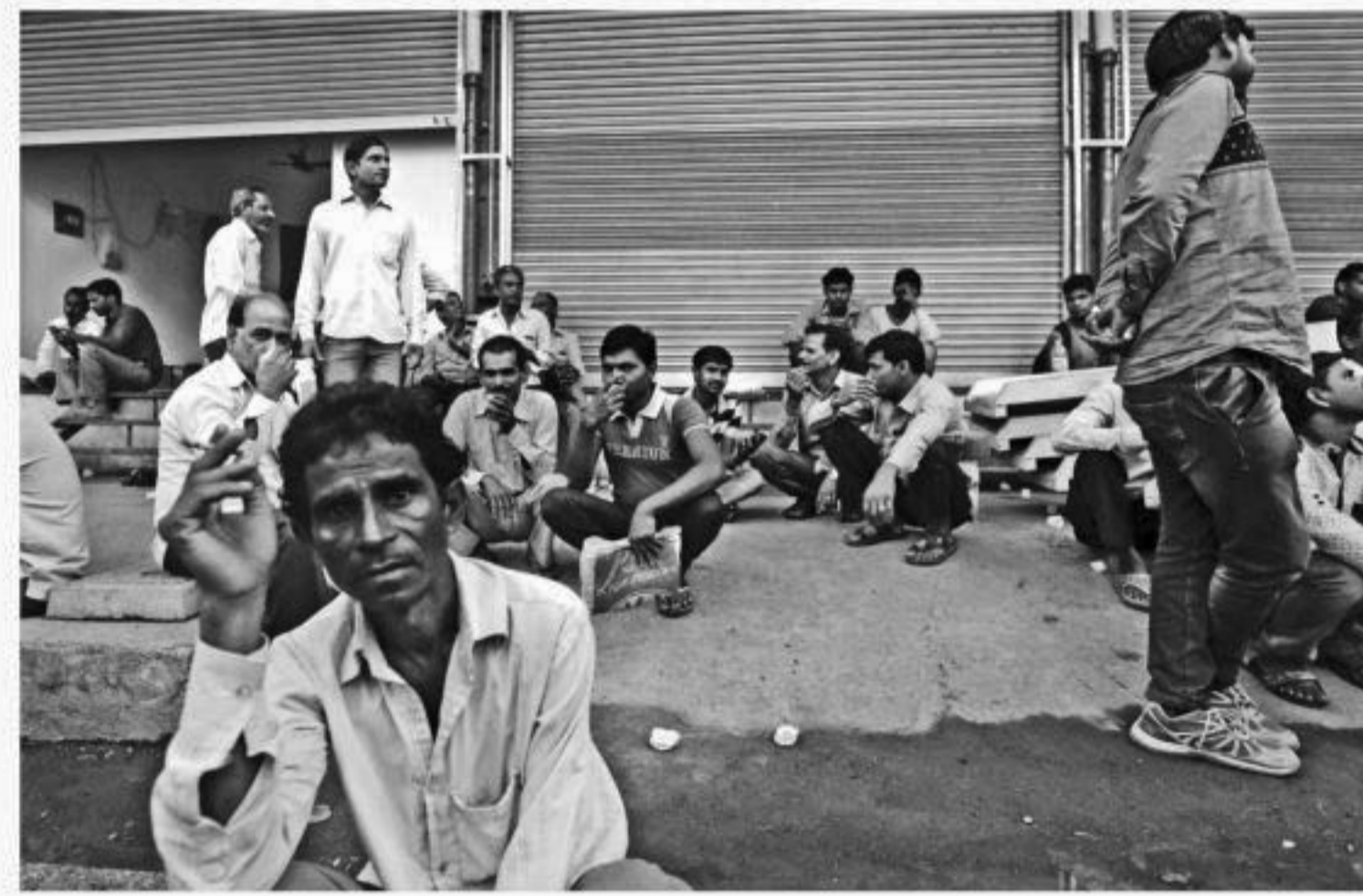
The report said that joblessness stood at 7.8 percent in urban areas compared with 5.3 parts in the countryside.

The data is significant because this was the first comprehensive assessment of India's employment situation conducted after Modi's decision in November 2016 to withdraw most of the country's banknotes from circulation overnight, the report said.

The government declined to confirm or deny the report.

"We have not released the report. I do not want to comment on it," Pravin Srivastava, India's chief statistician told Reuters.

The gloomy jobs data could be awkward for Modi's Hindu nation-



**Tradespeople sit on the side of a road as they wait to get hired for work in Mumbai.**

REUTERS/FILE

alist government to explain with a general election looming and opinion polls already showing the ruling Bharatiya Janata Party would be unlikely to keep its parliamentary majority.

Modi came to power in 2014 promising to galvanize the economy, and boost employment prospects for the millions of young Indians entering the jobs market each year.

But, while India's economy has been expanding by 7 percent plus annually — the fastest pace among major economies — its uneven

growth has meant that there are not enough new jobs to keep pace. And critics say the government's claims of economic success have sounded increasingly hollow.

A political controversy over the survey erupted after the acting chairman and another member of the body that reviewed the jobs data resigned saying there was delay in its release.

The head of the government-funded National Statistical Commission PC Mohanan said on Wednesday that he and colleague J Meenakshi were unhappy at the

non-publication of jobs data that had been due for release in December. He alleged interference by other state agencies over backdated GDP data.

A statistics ministry official said the NSSO had submitted the report, but it was up to the government to decide when it should be released.

But another senior official, dealing with data, said the government was delaying the release of the survey as the findings were so dismal, and there were plans to incorporate data on persons added in the social security network that could help improve the overall picture.

Pronab Sen, former chief statistician of India said unemployment in the India has been rising since 2012 but the attempts to suppress the publication of data was not a solution.

"It will only create more suspicion about the intentions of the government," he said.

The last report published by the statistics ministry had shown that the unemployment rate rose to 5.0 percent in 2015/16 from 4.9 percent in the previous year and 4.0 percent in 2012/13.

The unemployment among males stood at 4.3 percent and 8.7 percent among women in 2015/16, the government data showed.

## S Korea to combine world's two biggest shipbuilders

REUTERS, Seoul

Hyundai Heavy Industries, the world's biggest shipbuilding group, has announced a share swap deal worth 2.1 trillion won (\$1.98 billion) to take over second-ranked Daewoo and create a global heavyweight controlling over 20 percent of the market.

The move comes as the worldwide shipbuilding sector recovers from a global economic downturn that led to massive losses, widespread job cuts and, in 2017, the \$2.6 billion bailout of South Korea's Daewoo Shipbuilding & Marine Engineering Co Ltd.

State-funded Korea Development Bank (KDB) owns 55.7 percent of Daewoo, and has said it intends to sell the stake and consolidate the country's three biggest shipbuilders - which includes Samsung Heavy Industries Co Ltd - into two.

## Pharma expo kicks off

FROM PAGE B1

Different types of machineries and materials are drawing huge crowds to every stall. One such stall was of Spain-based company Azbil Telestar Bangladesh.

"Now, the Bangladesh-made medicines have started winning global hearts," said Abhijit Paul, country general manager of Azbil Telestar, which has been operating in the country since 2003. Pharmaceutical exports will increase further because local manufacturers are making drugs that are extremely low-cost, he added.

In fiscal 2016-17, pharmaceutical exports crossed the \$100-million mark for the first time in the country's history, according to data from the Export Promotion Bureau.

Multinational companies are struggling in Bangladesh while local companies are doing very well, said Salvador Lopez Diaz de Rada, Telestar's CRS business division director.

Zahid Malik, health and family welfare minister, inaugurated the fair. Salman F Rahman, the prime minister's adviser on private industry and investment, and Nazmul Hassan, a lawmaker and president of the Bangladesh Association of Pharmaceutical Industries, were also present.



**Azadul Haq, chairman of Bridge 2 Bangladesh (B2B); Masud Bin Momen, permanent representative of Bangladesh's mission to the United Nations, and Sadia Faizunnesa, consul general of Bangladesh in New York, attend a town hall meeting in New York on January 26. The meeting announced that B2B, a for-profit organisation which is said to be dedicated to making a positive impact in Bangladesh, would be organising a Convention of NRB Engineers 2019 at Pan Pacific Sonargaon Dhaka on February 26-27.**

B2B

## Red ink alert: Hundreds of Chinese firms warn on profits

AFP, Shanghai

Hundreds of listed Chinese companies have slashed their forecasts for 2018 earnings this week in a sign that an economic slowdown and worries over US-China trade friction are beginning to bite.

Companies across a range of sectors from livestock producers to airlines to securities firms have submitted updated guidance to the country's two stock exchanges, warning that their balance sheets deteriorated due to a range of factors. A Bloomberg News compilation found that around 440 companies had made such disclosures on Wednesday alone, a day ahead of a deadline to do so.

Concern over China's economic slowdown has increased in recent months, especially after data revealed

earlier in January showed that GDP grew 6.6 percent in 2018, the slowest rate in 28 years.

Analysts say some sectors of the economy also are under either direct pressure from the China-US tariff war or putting off investment and expansion moves until the dust settles.

Companies lowering their outlooks have included telecommunications supplier ZTE, China Life Insurance, China Southern Airlines, and a slew of others.

"We're only just seeing the beginning of deterioration in corporate earnings as the economy slows further," Yu Dingheng, a fund manager at Shenzhen Flying Tiger Investment & Management told Bloomberg.

"Things will continue to go downhill for firms seeing business slowing and even as the macro-economy

recovers, these individual firms will never be what they were."

E-commerce leader Alibaba appeared to offer a ray of hope with its announcement Wednesday of earnings for the October-December quarter, with profit up 37 percent.

But Alibaba, seen as a bellwether of overall consumer sentiment in China, also said revenue growth slowed to 41 percent in the period, the slowest increase in more than two years.

A number of global brands across several sectors also have recently warned they will take a hit from China's deceleration.

Apple stunned markets earlier this month when it said iPhone sales and overall revenues would be below most forecasts, citing economic weakness in China -- one of its biggest markets -- and the trade frictions.

**Mashrur Arefin, managing director and CEO of City Bank, and Professor Atique Islam, vice-chancellor of North South University, exchange signed documents of an agreement in presence of MA Hashem, chairman of the university's Board of Trustees, recently. The deal is on the bank's recently introduced 10-week-long certification programme for enhancing financial literacy of women, developed in collaboration with the university and International Finance Corporation's advisory services.**

CITY BANK



**Robiul Haque, business manager of ACI Motors, sole distributor of Yamaha motorcycles in Bangladesh; Dewan Imteaz Ahmed, head of retail lending products of Brac Bank, and Mahabubul Farook Khan, head of sales, auto loan, hand over the first motorcycle under a financing agreement to a customer from dealer outlet Crescent Enterprise in Dhaka on Wednesday.**

ACI MOTORS



**Zunaid Ahmed Palak, state minister for information and communication technology, and Syed Mohammad Kamal, country manager of Mastercard Bangladesh, take a photo with Sumaiya Tabassum, winner of an all-expense paid couple's trip to Dubai of Mastercard's recently concluded "Explore Arabian Nights in Dubai with Mastercard" campaign.**

MASTERCARD

