



Ahmed Akbar Sobhan, chairman of Bashundhara Group; Safwan Sobhan, vice chairman; Md Arfan Ali, president and managing director of Bank Asia; Abdus Salam Azad, CEO of Janata Bank; MA Halim Chowdhury, CEO of Pubali Bank; Md Khurshed Alam, deputy managing director of NRB Bank, and SM Shamsul Arefin, managing director of the Uttara Finance and Investments, attend the signing ceremony of a syndicated term loan of Tk 285 crore at the Westin Dhaka last week, for a Tk 447.5 crore expansion project of Bashundhara Industrial Complex Ltd at Madanganj in Narayanganj. Bank Asia is the lead arranger and agent of the loan.

Japan to set up tighter anti-trust rules for Big Tech

REUTERS, Tokyo

Japan's government plans to set up a new watchdog to scrutinize big tech companies like Facebook and Google amid growing concerns about monopoly practices and the handling of personal data.

The new regulator will examine competitive practices, the protection of personal data, and make anti-trust recommendations, according to a presentation made at a government advisory panel on Wednesday.

The new body will also draw up new guidelines to evaluate whether mergers and acquisitions will lead to a monopoly on messaging data or personal data.

The government hopes to finalize the plans for the new regulator by the summer, but it is still uncertain when it will become fully operational. Japan's move is part of a global trend toward tighter anti-trust regulations for major technology companies, which critics say have been allowed to dominate search, social media, and e-commerce with little oversight.

Bureaucrats also gave a presentation to cabinet ministers showing how Facebook, Google, Amazon.com, Alibaba Group Holdings Ltd and China's Baidu Inc have increased influence by expanding into payment systems, retail shops, self-driving cars, drones, and interconnected devices.

India's January inflation pace slows

REUTERS, New Delhi

India's consumer prices rose at a milder pace than anticipated in January and remained below the Reserve Bank of India's target for a sixth straight month, strengthening views it could again cut the key interest rate at its next policy review in April.

Annual retail inflation in January rose 2.05 percent, its slowest pace since June 2017, government data showed on Tuesday. Economists in a Reuters poll predicted retail inflation would edge up to 2.48 percent in January from the downward revised December figure of 2.11 percent.

The decline was due to a fall in food prices and smaller increases in fuel costs.

Analysts polled by Reuters had forecast January's annual increase in the consumer price index at 2.48 percent. Figures released separately on Tuesday showed industrial output growth rose 2.4 percent in December on the year.

In a surprise move on Feb. 7, the Reserve Bank of India's Monetary Policy Committee (MPC) cut the benchmark repo rate 25 basis points to 6.25 percent, in its first cut in 18 months, and hinted of more room to cut rates.

The MPC, which mainly monitors retail inflation data, also revised down its inflation projections for the period from April to September to 3.2 percent to 3.4 percent, from 3.8 percent to 4.2 percent.

Inflation pressures have eased in recent months, following falls in food and crude oil prices. India imports nearly 80 percent of oil it consumes.

The retail inflation number was much lower than the market expectations, said Tushar Arora, a senior economist at HDFC Bank. "This reinforces expectations of a rate cut in April," he added. India's economy is slowing, hit by reduced growth in consumer spending and in the farm sector.

Prime Minister Narendra Modi, who faces tough general elections by May, has announced an annual transfer of 750 billion rupees (\$11 billion) to millions of farmers, and tax benefits for the middle class, which many economists say could spur both consumer spending and inflation.

Mnuchin hopes for 'productive' trade meetings in China

REUTERS, Beijing

US Treasury Secretary Steven Mnuchin said on Wednesday he hopes for "productive" trade meetings in China this week, as the two countries seek to hammer out an agreement amid a festering dispute that has seen both level tariffs at each other.

US tariffs on \$200 billion worth of imports from China are scheduled to rise to 25 percent from 10 percent if the two sides cannot reach a deal by a March 1 deadline, increasing pain and costs in sectors from consumer electronics to agriculture.

Mnuchin, asked by reporters as he left his Beijing hotel what his hopes were for the visit, said "productive meetings". He did not elaborate.

Mnuchin, along with US Trade Representative Robert Lighthizer, arrived in the Chinese capital on Tuesday.

US President Donald Trump said on Tuesday that he could let the deadline for a trade agreement "slide for a little while," but that he would prefer not to and expects to meet with Chinese President Xi Jinping to close the deal at some point.

Trump's advisers have previously described March 1 as a "hard deadline," but Trump told reporters for the first time that a delay was now possible.

A growing number of US businesses and lawmakers have expressed hopes for a delay in the tariff increase while the two sides tackle the difficult US demands for major structural



US Treasury Secretary Steven Mnuchin

policy changes by China aimed at ending the forced transfer of American trade secrets, curbing Beijing's industrial subsidies and enforcing intellectual property rights.

Trump said last week he did not plan to meet with Xi before the March 1 deadline.

Mnuchin and Lighthizer are scheduled to hold talks on Thursday and Friday with Vice Premier Liu He, the top economic adviser to Xi.

The latest round of talks in Beijing kicked off on Monday with discussions among

deputy-level officials to try to work out technical details, including a mechanism for enforcing any trade agreement.

China's Foreign Ministry referred questions on talks to the Ministry of Commerce, which did not respond to a request for comment.

A round of talks at the end of January ended with some progress reported, but no deal and US declarations that much more work was needed.

James Green, a senior research fellow at Georgetown University, said he believed China was looking to secure a Xi-Trump meeting in the hope that it would make a near-term deal on tariffs far more likely.

"From their point of view, they would have dodged a bullet," Green, who was USTR's top official at the US embassy in Beijing until mid-2018, told Reuters by telephone.

But there is growing bipartisan concern in the United States about increasing state control of China's economy, military activity in the South China Sea, and security issues around its technology companies.

Even if the two sides could come to terms on tariffs, that might not mean an end to trade friction, Green added.

"I think that whatever we might get for an agreement, it will be a pause, because the US government is still going to move forward in the telecoms sector, on law enforcement and legal action, and on sanctions-related issues."

US Secretary of State Mike Pompeo cautioned allies on Monday against deploying equipment from Chinese telecoms giant Huawei Technologies on their soil, saying it would make it more difficult for Washington to "partner alongside them".

The United States and its Western allies believe Huawei's apparatus could be used for espionage, and see its expansion into central Europe as a way to gain a foothold in the European Union market.

Both the Chinese government and Huawei have dismissed these concerns.



Arshadul Mukaddish, executive director (acting) of Bangladesh Scouts, and Vishal Gupta, general manager of Reckitt Benckiser for Bangladesh and Sri Lanka, exchange documents after signing an expression of interest at the former's national headquarters in Dhaka on jointly running a cleanup campaign, "Dettol Harpic Porichchono Bangladesh".

RECKITT BENCKISER BANGLADESH

UK economy to make modest post-Brexit recovery if deal agreed: economists

REUTERS, London

Britain's economy will barely grow in the run-up to Brexit amid concern the UK will leave the European Union without an agreement, but if there is a deal there will be a modest post-divorce upturn, according to economists polled by Reuters.

Economists mostly said a free-trade deal between the two will be made and expectations that Britain will leave on March 29 without an agreement have barely changed over the past month.

Growth slumped to 0.2 percent last quarter as Brexit worries hammered investment by companies and a global economic slowdown weighed on trade. The February 8-12 Reuters poll said it would expand at the same rate this quarter.

Polls conducted by Reuters since the June 2016 referendum decision to leave the EU have consistently said a no-deal Brexit would be the worst outcome for the British economy.

The chance of a no-deal Brexit nudged up only to 25 percent in the

latest poll from the 23 percent given in January and, with a deal expected, growth is forecast to accelerate to 0.3 percent next quarter and to 0.4 percent in the third. "If there's a silver lining from the uncertainty caused by Brexit is holding back GDP growth, it's that the economy could enjoy a decent rebound if a Brexit deal is agreed," said Paul Dales at Capital Economics.

The likelihood of a recession in the coming year held firm at 25 percent and the probability of one in the next two years at 30 percent.

"Although the economic headwinds have increased in recent quarters, the most likely way in which a recession will be triggered is if Brexit goes badly wrong," said Peter Dixon at Commerzbank.

Prime Minister Theresa May is trying to convince the bloc to amend a divorce deal that she agreed with it in November but that was rejected by her own parliament. As it stands, the UK will leave the EU in 44 days without a deal.

May told British lawmakers from all

parties on Tuesday she wanted them to back the Brexit deal she is aiming to strike, citing the need to pass further legislation to prepare for Britain's exit. May said she believed she could reach a Brexit deal parliament could support.

European Union Brexit negotiator Michel Barnier said on Monday the bloc would agree to tweak the political declaration on EU-UK ties after Brexit that forms part of the exit package.

As in all Reuters polls since late-2016, the vast majority of economists said the two sides would settle eventually on a free-trade deal.

Holding again in second place was Britain being a member of the European Economic Area, paying into the EU budget to maintain access to the EU's single market.

The third and fourth spots flipped, with Britain leaving without an agreement and trading under basic World Trade Organization rules now in third place and Brexit being canceled last.

Apart from January's poll, Brexit being canceled was in last place every time Reuters has asked.

Global oil supply to swamp demand in 2019 despite output cuts: IEA

REUTERS, London

The global oil market will struggle this year to absorb fast-growing crude supply from outside OPEC, even with the group's production cuts and US sanctions on Venezuela and Iran, the International Energy Agency said in a report on Wednesday.

The IEA left its demand growth

forecast for 2019 unchanged from its last report in January at 1.4 million barrels per day. "It is supported by lower prices and the start-up of petrochemical projects in China and the US Slowing economic growth will, however, limit any upside," the agency said.

The IEA raised its estimate of growth in crude supply from outside the Organization of the Petroleum

Exporting Countries to 1.8 million bpd in 2019, from 1.6 million bpd previously.

The agency also lowered its forecast for demand for OPEC crude, production of which the group has pledged to cut by 800,000 bpd this year as part of an agreement with Russia and other non-OPEC producers such as Oman and Kazakhstan.

The "call" on OPEC crude is now forecast at 30.7 million bpd in 2019, down from the IEA's last estimate of 31.6 million bpd in January.

US sanctions on Iran and Venezuela have choked off supply of the heavier, more sour crude that tends to yield larger volumes of higher-value distillates, as opposed to gasoline. The move has created disruption for some refiners, but has not led to a dramatic increase in the oil price in 2019.

"In terms of crude oil quantity, markets may be able to adjust after initial logistical dislocations (from Venezuela sanctions)", the Paris-based IEA said.

"Stocks in most markets are currently ample and ... there is more spare production capacity available."



REUTERS/FP

Equipment used to process carbon dioxide, crude oil and water is seen at a project in US.



Prof Shibli Rubayat UI Islam, dean of Dhaka University's business studies faculty, and Mominul Islam, CEO of IPDC Finance, pose at the launch of IPDC Young Professional Summit 2019 at the faculty's conference hall in the capital on Monday. The final summit will be held on March 9.

IPDC FINANCE