Women lag far behind men in economic rights: WB

REUTERS, London

Women on average have only three-quarters of the legal protections given to men during their working life, ranging from bans on entering some jobs to a lack of equal pay or freedom from sexual harassment, the World Bank said on Wednesday.

Researchers examined whether adult men and women had equal rights under the law in 187 countries to produce an equality index and measure progress over the last decade.

They probed laws linked to women's work and economic freedom, including the right to work in all the same jobs as men and get paid equally, penalties for sexual harassment at work, parental work protections and inheritance rights.

"If women have equal opportunities to reach their full potential, the world would not only be fairer, it would be more prosperous as well," World Bank Group's interim president Kristalina Georgieva said in a statement.

Discriminatory laws mean women are held back from gaining economic independence and also contribute to a loss of $160 trillion in lost earnings worldwide each year, the World Bank said in a 2018 report.

The new study also looked at issues such as women's freedom of movement and protection from domestic abuse on the basis that these also impact on women's economic independence.

It found steady progress over the last decade: a total of 131 countries had enacted reforms to women's rights.

Six countries - Belgium, Denmark, France, Latvia, Luxembourg, and Sweden – now hold perfect scores of 100 in the index compared to none 10 years ago.

However, 56 countries made no improvements to equality laws at all in the areas studied over the last 10 years.

The index also highlighted wide variations across regions.

Europe and Central Asia had the highest regional equality score, with women getting about 85 percent of the rights granted to men on average, while in the Middle East and North Africa women had fewer than half the rights of men.

"We definitely are making progress but we can't rest on our laurels - we have got to keep governments moving in the right direction," Jacqui Hunt, Europe director of global women's rights group Equality Now told the Thomson Reuters Foundation.

She added a perfect score was no guarantee that rights would always be respected and urged governments to proactively work to fight gender discrimination.

AFP/FILE

South Asia made the biggest improvements in women's rights in the past decade.

PRAN

Five European diplomats based in Dhaka led by EU Delegation Chargé d'Affaires Konstantinos Vardakis visit Pran Industrial Park at Palash upazila in Narsingdi yesterday. Eleash Mridha, managing director of Pran Group, was present.

India may import up to 1mn tonnes of corn in 2019

REUTERS, Singapore

India is likely to import up to 1 million tonnes of corn this year as lower production and growing domestic poultry consumption boosts demand for overseas purchases, two traders estimated on Thursday.

Below-normal monsoon rains and an infestation of the fall armyworm, which devastated African corn crops in 2017, have slashed India's corn output and boosted prices, increasing the chances the government will grant duty-free corn imports for the first time since 2016.

"India is expected to buy anything between 500,000 tonnes and 1 million tonnes as local crop is lower," said one of the traders while on the sidelines of a grain industry conference in Singapore.

"It will be mainly Ukrainian corn as India imports only non-genetically modified corn."

The traders did not want to be quoted as they were not authorised to speak to media.

A third trader said imports are expected to total around 300,000 to 400,000 tonnes.

The shift to imports in the world's seventh-largest corn producer, which typically exports to Asia, highlights the breadth of the crop losses due to the drought and armyworm.

For the summer crop in the 2017/18 crop year ending in June, India harvested 20.24 million tonnes, according data from the Ministry of Agriculture and Farmers' Welfare.

However, between the lower-than-normal monsoon rainfall and the armyworm infestation, summer crop output for 2018/19 crop year is forecast to drop to less than 16 million tonnes.

China factory activity lowest in three years

AFP, Beijing

China's manufacturing activity shrank for a third straight month in February, sinking to its worst performance in three years as the economy slows and the US trade war bites, official data showed Thursday.

The Purchasing Managers' Index (PMI), a gauge of factory conditions, came in at 49.2 for the month, down from 49.5 in January, according to the National Bureau of Statistics (NBS).

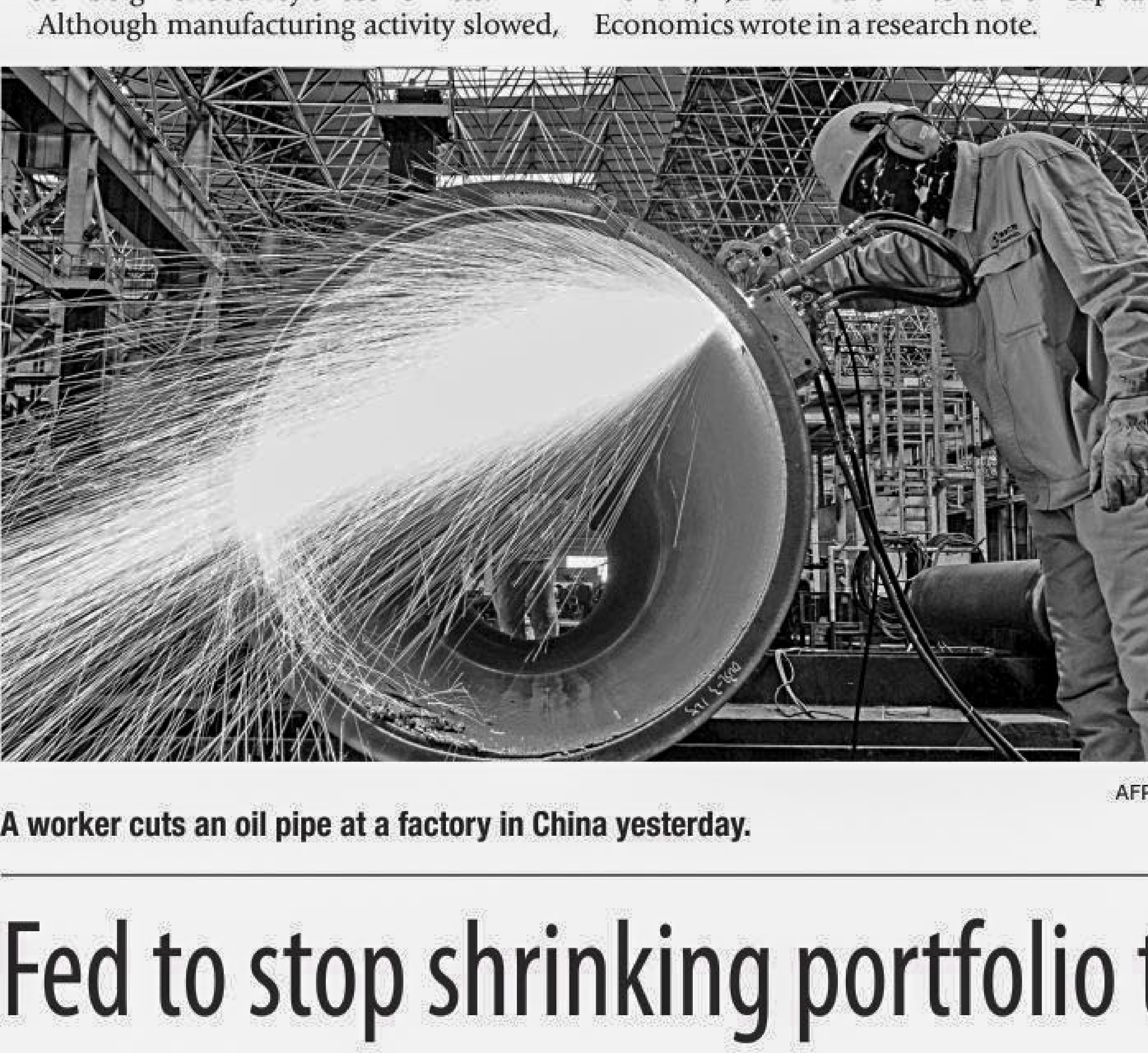
The figure remained below the 50.0 mark separating expansion from contraction. It fell short of the 49.5 reading tipped in a Bloomberg News survey of economists.

Although manufacturing activity slowed, "market demand has picked up to some extent", NBS analyst Zhao Qinghe said in a statement.

However, "under the influence of weakening global growth momentum and intensified trade protectionism, foreign trade is under relatively big pressure", Zhao added.

China's economy has been losing steam over the past several months, expanding by 6.6 percent in 2018, its slowest pace in nearly three decades as the government battles a massive debt pile.

"The official PMIs suggest that growth remains under pressure and we expect conditions to weaken further in the coming months," Julian Evans-Pritchard of Capital Economics wrote in a research note.



AFP

A worker cuts an oil pipe at a factory in China yesterday.

US firms put record number of robots to work in 2018

REUTERS

US companies installed more robots last year than ever before, as cheaper and more flexible machines put them within reach of businesses of all sizes and in more corners of the economy beyond their traditional foothold in car plants.

Shipments hit 28,478, nearly 16 percent more than in 2017, according to data seen by Reuters that was set for release on Thursday by the Association for Advancing Automation, an industry group based in Ann Arbor, Michigan.

Shipments increased in every sector the group tracks, except automotive, where carmakers cut back after finishing a major round of tooling up for new truck models.

Other sectors boomed. Shipments to food and consumer goods companies surged 60 percent compared to the year before. Shipments to semiconductor and electronics plants were up over 50 percent, while shipments to metal producers rose 13 percent.

Pressure to automate is growing as companies seek to cut labor costs in a tight job market. Many companies that are considering bringing work back from overseas in response to the Trump administration's trade wars may find automation the best way to stay competitive, even with higher-cost US workers.

Bob Doyle, vice president of the Association for Advancing Automation, said automation is moving far beyond its traditional foothold in auto assembly plants and other large manufacturers into warehouses and smaller factories.

One of those is Metro Plastics Technologies Inc, a family-owned business in Noblesville, Indiana, which has only 125 employees and got its start in the 1970s making, among other things, mood rings. Last March, the company bought its first robot, an autonomous machine that carries finished parts from the production area to quality inspectors. In the past, that work was done by workers driving forklifts.

"We had three propane, 5,000-pound forklifts," said Ken Hahn, the company's president. "We've eliminated those." Hahn's robot cost $40,000, about twice that of the cheapest option he considered, but far below the $125,000 machines also on offer.

Last year marked the first time since 2010 that auto and auto part companies failed to account for more than half of shipments, coming at just under 49 percent instead, according to the report. In 2017, over 60 percent of shipments went to automakers.

"The food industry is really starting to take off" as a market for automation, said Dan Hasley, director of sales and marketing for Kawasaki Robotics (USA) Inc, part of Japan's Kawasaki Heavy Industries . He added that "food and beverage is one of the segments that really responds to tight labor markets."

REUTERS/FILE

Attendees look over a demonstration of industrial robots in Nevada.

Fed to stop shrinking portfolio this year, Powell says

REUTERS, Washington

The Federal Reserve will stop shrinking its $4 trillion balance sheet later this year, Fed Chairman Jerome Powell said on Wednesday, ending a process that investors say works at cross-purposes with the Fed's current pause on interest-rate hikes.

"We've worked out, I think, the framework of a plan that we hope to be able to announce soon that will light the way all the way to the end of balance sheet normalization," Powell told members of the House Financial Services Committee in what were his most detailed remarks to date on the subject.

"We going to be in a position ... to stop runoff later this year," he said, adding that doing so would leave the balance sheet at about 16 percent or 17 percent of GDP, up from about 6 percent before the financial crisis about a decade ago.

The US GDP is currently about $20 trillion, suggesting the Fed's balance sheet would be between $3.2 trillion and $3.4 trillion.

The Fed has been trimming its balance sheet - bulked up by trillions of dollars of bond-buying during the post-crisis years to help keep interest rates low and bolster the economy - by as much as $50 billion a month since October 2017. As recently as a few months ago it had expected to keep shrinking its portfolio for another couple of years.

But in a series of meetings that began in November, the Fed has been hammering out a new approach. With rising demand for currency around the world, and from US banks for reserves held at the central bank, Fed policymakers now believe a big balance sheet is necessary just to ensure it has proper control over the short-term interest rates it sets to manage the economy.

In addition, Fed policymakers have come to the view that balance sheet policy should take financial and economic conditions into account.

Questions about the plan remain, including whether the Fed will adjust the maturities of its Treasury portfolio, and how it will go about shedding the mortgage-backed securities it accumulated during its asset-buying days.

Powell said the Fed still has a bunch of decisions ahead of it.

"The one on MBS sales is really closer to the back of the line - really we have to decide about the maturity composition, things like that, and we'll be working through that in a very careful way," Powell said. "Markets are sensitive to this."

Powell's remarks on the balance sheet came toward the end of more than two hours of testimony before the Democrat-led House panel that includes several newly elected members, including New York Democrat Alexandria Ocasio-Cortez.

But the Green New Deal advocate and Bronx populist asked no questions during the debate, and much of what Powell said on Wednesday repeated comments made Tuesday to the Republican-controlled Senate Banking Committee, including that the economy is on solid ground and the Fed would be patient on raising rates.

Powell was asked, as he was in the Senate, about the Fed's plan to rethink its policy framework this year. He assured lawmakers that the Fed is merely trying to refine its approach so it can meet its current 2-percent inflation goal.

"We are not looking at a higher inflation target, full stop," he said.

Powell also repeated his warnings against a failure by Congress to raise the debt ceiling, saying there would be "bad consequences" should the United States default on its debt payments.

Powell by law appears two times a year before Congress to brief members of the House Financial Services Committee and the Senate Banking Committee on monetary policy and the state of the economy.

Inflation data keeps German bond yields near 3-week highs

REUTERS, London

Germany's 10-year government bond yield rose back towards three-week highs on Thursday, after data from the euro zone's biggest economies suggested a pick up in inflation.

Having fallen to more than two-year lows of below 0.10 percent earlier this month, German bond yields rose sharply on Wednesday as receding fears of a no-deal Brexit sparked a selloff in British Gilts that spilled over into other safe-haven bond markets.

Having crept down in early Thursday trade after data showed inflation in France picked up less than expected in February, euro zone bond yields soon nudged back up following the release of inflation data from German states as well as Spain and Italy.

Spanish consumer price inflation rose by 1.1 percent year-on-year in February, lifting for the first time since September as fuel costs increased, while annual inflation in Italy accelerated to 1.2 percent from 0.9 percent in January.

Inflation data from the Germany states, released ahead of the nationwide number later this session, also suggested a pick-up in price pressures this month.

"It's the inflation numbers this morning and overall the news on Brexit that have allowed some profit-taking on Bunds after what has been a pretty persistent rally," said John Davies, G10 rates strategist at Standard Chartered Bank.

Germany's 10-year bond yield rose to 0.168 percent - matching a three-week high hit on Wednesday as the selloff in British Gilts gathered pace. It had been down as much as 1.5 bps at 0.14 percent following the French inflation numbers.

The rise in benchmark Bund yields steepened the German curve, with the gap between two and 10-year bond yields at its widest in around two weeks at 71 basis points.

"It was quite striking yesterday that the selloff in Gilts dragged on the German and US bond markets," said KBC rates strategist Mathias van der Jeugt.

A flash estimate of euro zone inflation data is due out on Friday.

Global trade tensions and an early end to a US-North Korean summit in Hanoi weighed on global stock markets, limiting the rise in safe-haven bond yields.

There was also focus on US economic growth numbers later in the day.