

# India's GDP growth slows to 6.6pc

OUR CORRESPONDENT, New Delhi  
 India's gross domestic product (GDP) growth stood at 6.6 percent in 2018's last quarter, government data showed yesterday, marking the slowest economic growth rate since the corresponding period two years ago.  
 The economic growth for the previous quarter (July-September) of 2018-19 was revised down from 7.1 to 7 percent, according to an official statement.  
 The growth rate in the third quarter of the current financial year also marked a significant drop from a more than two-year high of

8.2 percent in April-June, 2018.  
 The GDP growth during 2018-19 is estimated at 7 percent whereas it was 7.2 percent in 2017-18, the Ministry of Statistics and Program Implementation said in its statement.  
 The Central Statistics Office has projected GDP growth to average at 7.2 percent in the entire financial year (2018-19).  
 The Reserve Bank of India, however, had estimated GDP growth at 7.4 percent in 2018-19. For the next financial year, it has projected it to be in the range of 7.2 to 7.4 percent for the first half and 7.5 percent in the third quarter.

# India, Japan sign \$75bn currency swap deal

PALLAB BHATTACHARYA, New Delhi  
 The Bank of Japan and the Reserve Bank of India signed a Bilateral Swap Arrangement (BSA) with effect from yesterday, which will enable both countries to swap their local currencies against US dollar for up to \$75 billion.  
 The BSA will help maintain an appropriate level of balance of payments or short-term liquidity.  
 India has comfortable level of foreign exchange reserves at present and "the BSA provides India flexibility to use these reserves if at any point of time, in its judgment, there is a need to use the resources available under BSA," the Indian finance ministry said in a statement.  
 A part of the BSA can be accessed at the discretion of India, it said, adding "this financial cooperation would further enhance the strong economic ties between India and Japan.  
 The previous BSA had provided for \$50 billion.  
 The agreement for the BSA has been entered into between Reserve Bank of India and Bank of Japan.  
 The BSA was negotiated between India and Japan during the visit of Indian Prime Minister Narendra Modi to Tokyo on October 29 last year.  
 "The agreement for the BSA has become effective from today i.e. 28.02.2019. India can access the agreed amount of \$75 billion for its domestic currency for the purpose of maintaining an appropriate level of balance of payments or short-term liquidity," according to the statement.  
 "India welcomes the BSA effectiveness and expresses its gratitude to Japan for agreeing to enter into this arrangement," it said, adding that "this is in the spirit of strong partnership and carries out its strategic partnership further".

# Euro rises on bets economy may have turned a corner

REUTERS, London  
 The euro jumped to a three-week high on Thursday as growing expectations that the European economy may have turned a corner encouraged investors to buy the single currency while the Swedish crown jumped after a strong growth reading.  
 Core European bond yields hit a three-week high on Wednesday while a broad indicator of European economic data ticked higher, rising from an eight-month low hit last month, suggesting the near-term economic outlook may be improving.  
 "European data seems to have bottomed out and the impact of the prolonged US shutdown is starting to show up in the data and euro/dollar may be pressured higher," said fund manager Constantin Bolz of wealth manager Portfolio Concepts. The single currency rallied 0.4 percent to \$1.1412, its highest level in three weeks and threatened to break out of a range it has been trapped in for more than three months.  
 Germany's 10-year bond yield was down 1.5 basis points at 0.14 percent on Thursday, below three-week highs hit on Thursday near 0.17 percent.  
 Latest positioning data showed speculators have been ramping up their negative bets on the euro since December to a near two-year high on concerns European policymakers won't raise interest rates this year. Market analysts say strong data may

force them to unwind their bets. Elsewhere, the Swedish crown jumped nearly a percent against the dollar to 9.18 crowns and was set for its biggest daily jump in two months after fourth quarter growth data beat forecasts.  
 Sweden's gross domestic product grew 2.4 percent from a year earlier, the statistics office said on Thursday, comfortably beating forecasts of a 1.5 percent expansion according to estimates. Commerzbank strategists believe the strong data puts the central bank firmly on track to raise interest rates in the second half of the year.  
 Sentiment against the dollar was broadly uniform with the Swiss franc rallying half a percent as weak Chinese factory data and lack of progress at US-China trade talks encouraged traders to sell the greenback.  
 Factory activity in China reached a three-year low in February as export orders fell at the fastest pace since the global financial crisis, more evidence of an economy facing weak demand at home and abroad.  
 The Swiss franc rallied 0.74 percent against the dollar to 0.9940 and the Japanese yen gained quarter of a percent to 110.75 yen.  
 Against a basket of its rivals, the dollar slipped 0.3 percent to 95.84. Traders said some of its weakness was caused by month-end selling after a strong month for risky assets.  
 Sterling edged lower after reaching a seven-month high on Wednesday as traders bet Britain's departure from the European Union would be delayed.

# JMI investing Tk 620cr to build LPG plant

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 The group had suffered badly because of the gas and electricity shortage, prompting it to take a plan to build its own gas plant, he said.  
 Some existing LPG companies are not doing well because of high transportation costs, so JMI Group is setting up the plant in Chattogram to reduce the cost. Most plants are located in Mongla, Razzaq added.  
 The group started its journey in 1999 by manufacturing syringe and other medical devices under the name of JMI Syringes &

Medical Devices Ltd.  
 Later, it expanded into pharmaceuticals, kidney dialysis, printing and packaging, construction, and industrial gas.  
 The group's turnover was Tk 710 crore in 2017 and net profit was Tk 37.46 crore, according to the project proposal.  
 Listed on the Dhaka Stock Exchange, shares of JMI Syringes traded Tk 365.40 on February 27, up 0.36 percent from the previous session.  
 It declared 30 percent cash dividend in the year that ended in June 2018.



Mahtab Uddin Ahmed, CEO of Robi, and Rajat Dayal, CEO of fintech company YABX, incubated by Mahindra Comviva, exchange documents after signing a memorandum of understanding at Mobile World Congress 2019 in Barcelona. Under the agreement, Robi's customers will get financing facilities to purchase smartphones.

# Paddy growers in a tight spot

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 He said coarse rice accounts for 15 percent of the total annual rice production of 3.60 crore tonnes. For aman and aus, it stands at 35 percent and 40 percent respectively.  
 "Fair prices should be ensured for farmers," Kabir said.  
 Agriculture Secretary Md Nasiruzzaman said the agriculture ministry would request the food ministry to procure more aman rice from the market so that prices go up.  
 "We also have plans to increase public investment in production and farming inputs so that the production cost for growers declines. This would enable them to make profit and allow consumers to buy

the staple at affordable prices," he said.  
 Md Arifur Rahman Apu, director general of the Directorate of Food, said his office wants to buy paddy from growers in the coming boro harvesting season.  
 "We will start buying from May. We will take decisions ahead of the harvesting. We will try to address the issue better," he said.  
 Refayet Ullah demanded the government buy paddy directly from growers from local markets.  
 "The food office should announce a date to buy paddy from us. We will bring our paddy to the markets. If the quality of our grain matches their criteria, we will supply."

# Inflation rises after 16 months

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 Rice prices rose by Tk 2 a kg owing to the disruption in the supply chain because of the 11th general elections.  
 This led Sadhan Chandra Majumder, the new food minister, to sit with the rice traders in a meeting on January 10 to know the reasons for the price spiral of the staple.  
 The market is stable, the minister said in the meeting, adding that all the millers had promised not to increase rice prices further.

# Coats focuses on tech use in apparel

STAR BUSINESS DESK  
 Coats Global Services (CGS), which provides software solutions to apparel and footwear supply chains, yesterday concluded the first edition of a series of events aimed at initiating a discussion on the value of technology for the apparel manufacturing space.  
 The daylong Apparel Tech Up, taking place in Dhaka on Tuesday and in Chattogram yesterday, received "huge response" from stakeholders of the RMG industry, says a statement.

Top garment makers were present during keynote speeches from international members of the CGS.  
 In Dhaka, David Berry, director for sales and marketing for GSD, a part of the CGS, talked about the vision of the CGS for the upcoming year. He elaborated on the intent of the CGS to be a complete end-to-end manufacturing supply excellence solution provider.  
 "We, at CGS, completely understand the power of data and analytics powering manufacturing businesses," said Anas Shakil, director for manufac-

turing excellence at ThreadSol, another part of the CGS.  
 "The focus needs to be on assessing and driving value through data, rather than just accumulating vast oceans of data. We need to create a platform that brings it all together intelligently," he added.  
 The event in Dhaka concluded with a panel discussion where Tram Anh Tran, managing director of Coats Bangladesh, was present. The panel discussed the current challenges and opportunities for RMG manufacturers in terms of data.



Tram Anh Tran, managing director of Coats Bangladesh, attends the first edition of "Apparel Tech Up" organised by Coats Global Services in Dhaka on Tuesday.

# Consumers, weak exports seen curbing US fourth-quarter growth

REUTERS, Washington  
 The US economy probably slowed in the fourth quarter, held back by softer consumer spending and weak exports, which could leave 2018 growth just shy of the Trump administration's 3 percent annual target.  
 The Commerce Department's gross domestic product (GDP) report to be published on Thursday at 08:30 a.m. (1330 GMT) will offer the latest assessment of the impact of President Donald Trump's economic policies, including deregulation, tax cuts, increased government spending and tariffs aimed at securing more favorable trade deals.  
 Trump has touted the economy as one of the biggest achievements of his presidency and declared last July that his administration had "accomplished an economic turnaround of historic proportions."  
 Gross domestic product probably increased at a 2.3 percent annualized rate in the fourth quarter, according to a Reuters survey of economists after expanding at a 3.4 percent pace in the July-September period. However, the survey was completed before the release of December wholesale and retail inventories as well as housing, factory orders and goods trade deficit

data, which led many institutions to downgrade their forecasts.  
 The release of the fourth-quarter GDP report was delayed by a 35-day partial shutdown of the government that ended on Jan. 25, which affected the collection and processing of economic data.  
 The Atlanta Federal Reserve is projecting GDP grew 1.8 percent in the October-December quarter, which would be the slowest in nearly two years. Economists are forecasting that the economy grew about 2.9 percent in 2018, which would be the best performance since

2015 and better than the 2.2 percent logged in 2017.  
 "This is as good as it gets for the first Trump administration," said Joe Brusuelas, chief economist at RSM in New York.  
 The economy is slowing as the boost from the Trump administration's \$1.5 trillion tax cut and more government spending fades. Growth is also being restrained by a trade war between the United States and China, which economists say is making businesses and households more cautious about spending.  
 "The tax cut was not a game

changer, it did not result in a permanent lifting of the trajectory of growth, just a temporary increase," said Brusuelas, who estimated the tax cut effect peaked in October.  
 The slowdown will come at time when the economy's outlook is also being clouded by signs of cooling global demand and uncertainty over Britain's departure from the European Union. These factors support the Federal Reserve's "patient" stance towards raising interest rates further this year. Fed Chairman Jerome Powell reaffirmed the US central bank's position in his testimonies before lawmakers on Tuesday and Wednesday.  
 Growth in consumer spending, which accounts for more than two-thirds of US economic activity, is expected to have slowed considerably from the third quarter's robust 3.5 percent rate, but still benefits from a strong labor market.  
 Trade tensions with China could constrain the economy for a while. US Trade Representative Robert Lighthizer told lawmakers on Wednesday that Washington's issues with China were "too serious" to be resolved with promises from Beijing to buy more American goods and a threat of higher tariffs could loom over trade with China for years.

companies are very nominal compared to the total amount and most of the advertisements come from mobile operators and FMCG companies, said the CEO of an online shop. CID officials said they found some of the payments being made abroad by companies that have partners abroad.  
 This is illegal as such payment must first come to Bangladesh, so that the government can collect due taxes, before being forwarded to the receiver, they said.  
 Moreover, any such payment made abroad cannot be shown as local investment and expenditures by companies, they added. AKM Fahim Mashroor, chief executive officer of ajkerdeal.com, one of the leading e-commerce platforms of the country, also attended one of the meetings.  
 "We are welcoming the (CID) move. Most of the local reputed e-commerce companies, including us, pay social media platforms through the formal channels," he said.  
 Mashroor, also a former president of the Bangladesh Association of Software and Information Services (BASIS), said they also wanted regulations in this field to be clearly defined. Another top executive of a firm said the members of the BASIS and the e-Commerce Association of Bangladesh can avail special cards of Brac Bank and Mutual Trust Bank, using which up to \$30,000 worth of products can be purchased from abroad.  
 Most of the e-commerce companies are using this mode of payment.  
 Meanwhile, seeking to ensure that the taxes are paid, Telecom Minister Mustafa Jabbar at a meeting on the sidelines of the Mobile World Congress in Barcelona on Tuesday asked Facebook's top officials to set up office in Dhaka to run business smoothly and follow tax regulations.



A customer shops for a turkey at a Walmart store in the US.