ACCA

Mohammad Muslim Chowdhury, comptroller and auditor general; Arif Khan, CEO of IDLC Ltd, and Md Ahsanul Hoque Bashar, head of the Association of Chartered Certified Accountants, attend a programme to welcome newly qualified ACCA and FCCA members at the Radisson hotel in Dhaka last Thursday.

Amazon's second HQ clears blocks

REUTERS, *Washington*

Amazon.com Inc's planned second headquarters in northern Virginia cleared a key test on Saturday when local officials approved a proposed financial package worth an estimated $51 million amid a small but vocal opposition.

Amazon in November picked National Landing, a site jointly owned by Arlington County and the city of Alexandria, just outside Washington, along with New York City for its so-called HQ2 or second headquarters.

That followed a year-long search in which hundreds of municipalities, ranging from Newark, New Jersey, to Indianapolis, competed for the coveted tax-dollars and high-wage jobs the project promises.

Amazon in February abruptly scrapped plans to build part of its second headquarters in the New York borough of Queens after opposition from local leaders angered by incentives promised by state and city politicians.

The five-member Arlington County Board voted 5-0 in favor of Amazon receiving the financial package after a seven-hour meeting held in a room filled with up to about 150 citizens and representatives from local unions and minority advocacy groups.

There was strong opposition from some residents and labor groups, many of whom chanted "shame" and waved signs with slogans including "Don't be the opposite of Robinhood," "Amazon overworks and underpays," and "Advocate for us and not Amazon." One protester was escorted out of the meeting by police.

A few dozen protesters outside the county office chanted, "The people united will never be defeated."

Malaysia threatens WTO challenge to EU's move to drop palm biofuel

REUTERS, *Kuala Lumpur*

Malaysia on Saturday threatened to bring a World Trade Organisation (WTO) challenge if the European Union goes ahead with recommendations to phase out palm oil from transport fuel used in the bloc.

In a list of criteria published on Wednesday, the European Commission concluded that palm oil cultivation results in excessive deforestation and its use in transport fuel should be phased out.

Indonesia, the world's largest palm oil producer, has already threatened to bring a challenge to the WTO over the Commission's plan.

Malaysia's foreign ministry described the recommendation as a "calculated political act" aimed at removing its palm oil exports from the EU marketplace.

"Such an aggressive trade barrier targeted at Malaysia's national interests, and our 650,000 small farmers, cannot pass without a strong response," the ministry said in a statement.

Malaysia is the world's second largest palm oil producer behind Indonesia. Both countries have been battling with EU governments and the EU parliament over attempts to curtail exports in a bid to address rampant deforestation linked to palm oil cultivation.

Malaysia's foreign ministry said the country had consistently provided evidence of the sustainability of its palm oil, highlighting the implementation of the Malaysian Sustainable Palm Oil (MSPO) certification standard.

"The Malaysian government does not accept that the Delegated Act is justified on scientific or environmental grounds. No convincing explanation or data have been provided to justify the discrimination against Malaysian palm oil," the ministry said.

REUTERS/FILE

A worker collects palm oil fruits at a plantation in Malaysia.

Trade war cost US economy $7.8b in 2018: study

REUTERS, *Washington*

US President Donald Trump's trade battles cost the US economy $7.8 billion in lost gross domestic product in 2018, a study by a team of economists at leading American universities published this week showed.

Authors of the paper said they analyzed the short-run impact of Trump's actions and found that imports from targeted countries declined 31.5 percent while targeted US exports fell by 11 percent. They also found that annual consumer and producer losses from higher costs of imports totaled $68.8 billion.

"After accounting for higher tariff revenue and gains to domestic producers from higher prices, the aggregate welfare loss was $7.8 billion," or 0.04 percent of GDP, the researchers said.

The study was authored by a team of economists at the University of California Berkeley, Columbia University, Yale University and University of California at Los Angeles (UCLA) and published by the National Bureau of Economic research.

Having dubbed himself the "tariff man," Trump pledged on both the campaign trail and as president to reduce the trade deficit by shutting out unfairly traded imports and renegotiating free trade agreements.

Trump has pursued a protectionist trade agenda to shield US manufacturing. Washington and Beijing have been locked in a tit-for-tat tariff battle for months as imposing unilateral tariffs to combat, and Trump has imposed tariffs that have roiled the European Union and other major trading partners.

The authors said while US tariffs favored sectors located in "politically competitive" counties, the retaliatory tariffs imposed on US goods have offset the benefits to these areas.

Rupali Chowdhury, managing director of Berger Paints Bangladesh Ltd, opens a Berger Experience Zone in Chattogram recently. Rajib Hardware in Chawkbazar and Ethu Hardware in South Halishahor of the port city became the franchisees of the zone.

BERGER PAINTS

Lyft to launch road show for up to $2b IPO

REUTERS

Ride-hailing platform Lyft Inc will launch the investor road show for its initial public offering on Monday, seeking to raise as much as $2 billion and to be valued at more than $20 billion, according to people familiar with the matter.

Lyft will be seeking to convince investors to make large commitments to its IPO, rather than hold out for its larger rival Uber Technologies Inc, which is planning to launch its own public offering next month, the sources said.

Lyft will meet with investors across the United States before pricing the IPO and listing on the Nasdaq at the end of the month, the sources said. It will be pitching itself as a more focused bet on ride-hailing to differentiate itself from Uber, which has diversified to areas such as food delivery and freight hauling and expanded around the world, the sources said.

Uber is seeking a valuation as high as $120 billion at its IPO, although some analysts have pegged it closer to $100 billion based on selected financial figures it has disclosed. Neither Uber nor Lyft are profitable.

Lyft's IPO will give provide a funding boost as it continues to subsidize rides with promotions to attract passengers. The windfall from the IPO will also help finance investments in areas such as autonomous driving, the sources said.

Lyft declined to comment.

After a quiet start to the year, technology companies are lining up for public listings as public equity markets hover near historic highs, but remain vulnerable to geopolitical concerns, including tensions over trade agreements and a slowdown in economies including Europe and China.

Other Silicon Valley unicorns - startup companies with valuations of at least $1 billion - including business messaging company Slack Technologies Inc and image-sharing company Pinterest Inc, are waiting in the wings to go public later in 2019, sources have said. Lyft's IPO will mark the first time a ride-hailing company has debuted on the US public markets. Lyft launched in 2012 and is led by its founders, Logan Green and John Zimmer.

The ride-hailing industry, which touted $36.5 billion in sales globally in 2017, is expected to grow rapidly in the coming years, but is fraught with questions about the future of automated driving, regulatory pushback and legal challenges over drivers' pay and benefits.

REUTERS

An electric scooter from the ride sharing company Lyft is shown on a downtown sidewalk in California on Friday.

CURRENCY PROBE

Qatar freezes new business for First Abu Dhabi Bank

REUTERS, *Doha*

Qatar will no longer permit First Abu Dhabi Bank, the largest bank in the United Arab Emirates (UAE), to provide services for new customers in Doha, its regulator said, amid a probe over alleged currency manipulation after the Gulf rift.

Qatar's central bank has been investigating whether rival countries attempted to devalue its currency, securities and derivatives markets just after a Saudi-led bloc launched a diplomatic and trade boycott against it in mid-2017..

Saudi Arabia, the UAE, Bahrain and Egypt accuse Qatar of supporting terrorism, a charge Doha denies.

Qatar keeps its riyal pegged at a fixed rate to the US dollar, but saw it trade several percent weaker than its usual rate of 3.64 per dollar in offshore markets just after the Gulf dispute began.

The Qatar Financial Center (QFC) said that FAB "failed to comply with an order of the QFC Civil and Commercial Court to produce an affidavit demonstrating its preservation of documents relevant to an ongoing regulatory investigation into potential manipulation of the Qatari Riyal".

As a result FAB was now barred from "carrying on, for any new customers, any regulated activities, including deposit taking, providing credit facilities, arranging deals in investments, arranging credit facilities and advising on investments", a QFC statement said.

Deutsche Bank set to go public on Commerzbank merger talks

REUTERS, *Frankfurt*

Deutsche Bank was set on Sunday to confirm merger talks with Commerzbank, according to a person with knowledge of the matter, an indication that efforts to combine Germany's two largest lenders are gaining pace.

The management boards of both banks were meeting separately on Sunday ahead of the expected announcement, the person said.

Formal disclosure of talks increases the chances of concluding a tie-up that has long been the subject of speculation and surfaced in 2016 before both banks decided to focus on restructuring.

The German government has pushed for a combination given concerns about the health of Deutsche, which has struggled to generate sustainable profits since the 2008 financial crisis.

The government, which holds a stake of more than 15 percent in Commerzbank following a bailout, wants a national banking champion to support its export-led economy, best known for cars and machine tools.

Berlin also wants to keep Commerzbank's speciality - the funding of medium-sized companies, the backbone of the economy - in German hands.

"We are going to seriously evaluate a merger," said the person with knowledge of the matter.

"But there is no guarantee that there will be a deal in the end," the person added.

An announcement on Sunday would represent progress after a person with knowledge of the matter this month told Reuters that the management board of Deutsche had agreed to hold talks with Commerzbank on the feasibility of a merger.

Deutsche Bank and Commerzbank declined to comment.

While the banks have not publicly commented on merger talks, German Finance Minister Olaf Scholz last Monday confirmed that there are negotiations.

On Thursday, the supervisory boards of both banks are scheduled to hold long-planned meetings, four people with knowledge of the matter told Reuters. The status of merger negotiations is expected to be discussed.

The merged bank would have roughly 1.8 trillion euros in assets, such as loans and investments, and a market value of about 25 billion euros ($28.3 billion), based on Friday's closing stock prices.

It would have one fifth of the German retail banking market and together the banks employ 140,000 people worldwide.

Germany's Verdi labor union has objected strongly to a possible merger between the two banks, arguing that the merged group would be a more attractive target for a hostile foreign takeover and saying that at least 10,000 jobs are at risk.

Some major shareholders have privately said they were against a merger, but the US investor Cerberus, a large investor in both banks, has favored talks, a person familiar with the matter has told Reuters.

Deutsche, the largest bank in Germany, Europe's biggest economy, emerged unscathed from the financial crash but later lost its footing.

In 2016, the International Monetary Fund called the bank the world's biggest potential risk among peers to the financial system because of its links to other banks.

German officials fear that a recession or big fine, for example, could derail the bank's fragile recovery.

Other than Deutsche, Commerzbank is Germany's only remaining big publicly bank, after a series of mergers.

Commerzbank, like Deutsche, has struggled to rebound, and German officials say it is vulnerable to a foreign takeover. If an international rival snapped it up, that would increase competition for Deutsche on its home turf.

REUTERS/FILE

Banners of Deutsche Bank and Commerzbank are pictured in Frankfurt.