



Bank Asia Chairman A Rouf Chowdhury presides over the bank's 20th annual general meeting at Dhaka Ladies Club yesterday. The bank approved 5 percent cash and 5 percent stock dividends for 2018. Vice Chairmen Mohd Safwan Choudhury and Md Nazrul Huda, Executive Committee Chairman Rumea A Hossain, Audit Committee Chairman Mashiur Rahman, Directors Md Shahjahan Bhuiyan, Ashrafal Haq Chowdhury, Dilwar H Choudhury, Maj Gen (retd) Mohammad Matiur Rahman and Enam Chowdhury, President and Managing Director Md Arfan Ali and Company Secretary SM Anisuzzaman were also present.

Euro zone growth rate beats expectations

REUTERS, Brussels

The eurozone economy expanded by a better than forecast 0.4 percent in the first quarter of 2019, official data showed on Tuesday, dampening talk that a recession in Europe is around the corner.

The reassuring announcement broke a series of worrying economic figures for Europe that showed a lacklustre economy beset by looming political risks such as Brexit and weaker global growth.

The figure exceeded the expectations of analysts interviewed by data company Factset that forecast just 0.3 percent growth. At an annual rate, growth in the 19 countries that use the euro was 1.2 percent, the same result as in the previous quarter, according to the first estimate of the European statistics agency.

Analysts warned, however, that the uptick in eurozone growth would not last.

Samsung Electronics hit with profit slump

AFP, Seoul

Samsung Electronics, the world's biggest smartphone and memory chip maker, reported a slump in first-quarter net profits Tuesday, in the face of a weakening chip market and rising competition.

The result is the latest bad news for the tech titan, which last week was forced to delay the release of its much-hyped \$2,000 foldable smartphone owing to problems with the screen.

Net profits in the January-March period were 5.04 trillion won (\$4.3 billion) -- the lowest since the third quarter of 2016 and down 56.9 percent year-on-year.

Operating profit also plunged 60.2 percent to 6.2 trillion won, while sales fell 13.5 percent to 52.4 trillion won.

The firm is the flagship subsidiary of the giant Samsung Group, by far the biggest of the family-controlled conglomerates that dominate business in the world's 11th largest economy, and it is crucial to South Korea's economic health.

It has enjoyed record profits in recent years despite a series of setbacks, including a humiliating product recall and the jailing of its de facto chief.

But now the picture is changing, with chip prices falling as global supply increases while demand weakens.

It also has to contend with increasingly tough competition in the smartphone market from Chinese rivals like Huawei -- which in 2017 surpassed Apple to take second place -- offering quality devices at lower prices.

Samsung had warned investors of a 60 percent-plus fall in first-quarter operating profits, citing weak display and chip sales.

"Mobile displays suffered slower demand and intensifying competition with LTPS LCDs," the company said. "Large displays also took a hit from a continued decline in LCD panel prices amid weak seasonality."

Samsung shares ended down 0.65 percent in Seoul.

"Growing competition in the mature TV and smartphone markets is expected to pose a challenge in the second half (of this year)," Samsung said in a statement.

Samsung launched its top-end S10 5G smartphone earlier this month, after South Korea won the global race to commercially launch the world's first nationwide 5G network.

But it last week made a high-profile decision to push back the release of its new Galaxy Fold phones after reviewers provided with early devices reported screen problems within days of use.

International Monetary Fund Managing Director Christine Lagarde said on Monday she expects the United States and China to reach a deal to end their trade dispute, which has unnerved financial markets and cast a shadow over the global economy.

"I would say 'Yes,'" Lagarde said at the Milken Institute Global Conference when asked whether talks between the world's two largest economies would end in a deal.

Washington and Beijing have been engaged for the past year in a trade war marked by tariffs on billions of dollars in goods and threats of escalation. The talks are now at a critical point.

US Treasury Secretary Steven Mnuchin was scheduled to speak at the conference on Monday but was headed to China instead for talks.

IMF's Lagarde expects US and China to reach trade deal

REUTERS, California

Lagarde was the first speaker at the annual conference, which draws 4,000 attendees including some of the world's most powerful thinkers and trendsetters to discuss finance, healthcare and other topics.

Later on Monday, Blackstone Group LP Chief Executive Stephen Schwarzman also said he was positive about the prospects for a US-China deal, but cautioned it would not solve all the issues being disputed.

"I'm positive that they will come up with something that works, but it will not be a trade deal that solves all problems for all people and moves China into the modern world," he said.

"There's a process of normalization that will take some period of time," Lagarde said in an interview she did not see the US economy dipping into a recession, following last week's news that it grew at a stronger-than-expected 3.2 percent annualized pace

in the first three months of 2019.

Concerns have been mounting over a global slowdown, particularly in China and Europe, and the prospect that the decade-long US bull market might be coming to an end.

But the strong US GDP growth data may prompt leaders to reassess the health of the economy, she said. Lagarde cautioned, however, that more data was necessary before making a more definite call.

Even as inflation has been largely in check, a situation she called "highly mysterious," Lagarde said she expected price pressures to pick up "gradually and slowly" in the coming months, in part fueled by rising oil prices.

Asked if she would like to continue as IMF managing director after her current term ends in 2021, Lagarde said: "I'm looking at my options." The former French politician was named IMF chief in 2011.

Easy rescheduling for defaulters in the works

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"But I want to raise a question: why do clients park their deposits at high interest rate with them? Whatever happens, all blame is passed on to the central bank."

He also said the central bank was compelled to give licences to new banks without disclosing from where the pressure came.

"Now, a demand has been made to decrease the number of banks. But it is not an easy task as strong banks never want to merge with weaker ones," he added.

Barkat-e-Khuda, Dr Muzaffer Ahmad Chair professor of BIBM, presided over the session, where Prashanta Kumar Banerjee, a professor of BIBM, delivered the welcome speech.

Price spiral now starts before Ramadan: CAB

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Rahman, also a former chairman of Bangladesh Energy Regulatory Commission, urged the businessmen not to go for abnormal profits.

At the same time, he advised consumers not to buy products in bulk at the first of Ramadan, thinking the prices may go up.

However, sometimes, consumers' higher demand at the beginning of Ramadan fuels prices, he said.

Rahman also advised forming a 'consumer co-operative' within neighbourhoods, so that they would buy products from the wholesale market and distribute.

"All the products' prices are 25 to 40 percent lower in the wholesale market, so it might be helpful for consumers," he added.

Hussain urged consumers to submit complaints to the CAB, which may alleviate consumers' problems.

Summit LNG begins supplying gas to national grid

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Summit LNG is moored six kilometers off the island of Moheshkhali in Cox's Bazar.

Summit Power International has chartered the vessel from Excelerate Energy for 15 years.

The SLNG project is part of Summit Power International's \$1 billion investment programme by 2020 to deliver power and gas to Bangladesh.

Excelerate Energy's FSRU has also capacity to send out 500mmcf of gas per day.

The two FSRUs have a combined capacity of sending out 1,000mmcf of gas to the national network per day, but the capacity cannot be utilised as the pipeline from Moheshkhali to Anwara upazila in Chattogram is not ready yet.

The two FSRUs are supplying a total of 600mmcf of re-gasified gas to the network at the moment, said Md Quamruzzaman, managing director of Rupantarita Prakritik Gas Company Limited.

The import of LNG is part of the government's efforts to eliminate gas shortages and power outages and unlock the potential of the economy.

The import of 1,000mmcf of gas could help produce almost 5,000 megawatts of electricity, which is about half of what the country produces today.

Petrobangla estimates that the contribution of 1,000mmcf of gas to the economy would be equivalent to Tk 276,000 crore (about \$34 billion). The gas would cost \$3 billion a year and might ease the decades-long gas crisis.



Md Hedayetullah, chairman of Mutual Trust Bank (MTB), and Anis A Khan, managing director, hand over a crest and cheque to family members of fire fighter Sohel Rana, who succumbed to injuries sustained during rescue operations at the recent Banani FR Tower fire, at the bank's corporate head office in Dhaka recently. The bank posthumously presented Rana its 8th "MTB Bravery & Courage Award".

60pc RMG workers to lose jobs by 2030

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"These are the scales which we need to really focus on right now because the fourth industrial revolution will start impacting Bangladesh within the next three to five years. If we do not teach our university students, college students, they will be at a total loss," Kabir said.

He suggested making the education system more technology-oriented so that human resources could be transformed with the demand of the industries.

For instance, if the robotics replaces workers, Bangladesh could produce robots for developed and developing countries.

Salman F Rahman, private industry and investment affairs adviser to the prime minister, suggested that business leaders prepare themselves to face the challenges of the fourth industrial revolution.

"The challenges poised to be created due to the fourth industrial revolution will be extremely tough. We need to adopt and model our own network in line with those latest technologies," Rahman said.

"We see changes in the mode of production, having huge impacts on the job market and economy. Traditional jobs are in danger of no longer being relevant as new occupational requirements are needed," said Amir Farid Abu Hasan, acting Malaysian high commissioner to Bangladesh.

"New skills development is needed and the right policies are required to fill the gaps due to this fourth industrial revolution. I cannot deny that governments need to take immediate action to avoid the risk of unemployment due to this robotic revolution," Hasan said.

The diplomat said industrial automation in the developed countries is currently creating new employment opportunities alongside abolishing traditional professions.

Already, the countries of the Association of Southeast Asian Nations are facing the impacts of automation, which has resulted in a large number of people turning jobless.

He suggested researchers, innovators, policymakers and citizens involved be well informed and adequately trained to ensure a better future.

Syed Moazzem Hossain, the BMCCI president, also spoke.



RN Paul, managing director of RFL Group, launches a "Super Hit" offer of the group's electronics retail chain Vision Emporium centring the upcoming Cricket World Cup at the group's head office in the capital's Badda yesterday. A total of 300 LED televisions will be provided for free on television purchases.

UK consumers unfazed by Brexit storm

REUTERS, London

British consumers were unruffled by the latest twists and turns in the country's Brexit drama and companies have dialed down their worry levels, two surveys published on Tuesday showed.

The GfK consumer confidence index - which was conducted mostly in the run-up to a Brexit deadline that was eventually pushed back, the second such delay since March - held steady for a third month at -13 in April.

Spending by Britain's consumers has helped soften a slowdown in the overall economy, thanks to a combination of low unemployment, rising wages and modest inflation.

By contrast, employers have displayed more concern and they cut back on investment throughout 2018.

While a business confidence survey published by Lloyds Bank rose for a second month in April - up four points to 14 percent - it was below its early 2019 level and its long-term average.

Lloyds said confidence among manufacturing, construction and services firms improved but fell among retailers.

Bring down corporate tax

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She also suggested formation of a fund to support entrepreneurs who are not wilful defaulters.

The FBCCI also appealed to the government to take steps to bring down the non-performing loans and put an end to lending on political consideration.

It also urged for taking actions against wilful loan defaulters and support for those who could not service loans timely even though they wanted to.

"At this moment, the bank interest rate is increasing abnormally. The Bangladesh Bank should take initiative and oversee strongly to establish discipline in the banking sector," Mohiuddin said.

AK Azad, former president of the FBCCI, suggested formation of special tribunal for speedy disposal of loan-related cases that are pending in various courts.

Tesla to reduce solar panel prices by up to 38pc

REUTERS

Tesla Inc plans to announce on Tuesday that it has started selling solar panels and related equipment for up to 38 percent below the national average price, the New York Times reported on Tuesday.

The company aims to cut the prices by standardizing systems and requiring customers order the items online, the report said.

After reporting a 36 percent slide in solar installations in the first quarter, Tesla said last week that it introduced a new solar price and selling strategy without giving any specifics.

In 2016, the electric car maker bought SolarCity for \$2.6 billion, through which the company planned to offer solar panels and home battery storage systems to consumers.

Tesla sought to sell solar panels in its retail stores and online in a bid to align it with the company's aspirational luxury car brand.

The move was a sharp reversal from SolarCity's populist vision of making rooftop solar accessible to all, and sales under Tesla have lagged. Late last year, Tesla cut prices on its residential solar systems.