



Siraj Siddiquey Shakil, head of digital banking and e-commerce at Brac Bank, and Syed Shakil Islam, senior marketing executive at Foodpanda Bangladesh, exchange signed documents of a deal at the bank's head office in Dhaka on Wednesday facilitating cashbacks on food deliveries for the bank's credit cardholders.

Emirates year-on-year profit declines 69pc

STAR BUSINESS DESK

Emirates reported a profit of \$237 million for the financial year ending on March 31, a decline of 69 percent from last year's results.

The airline reasoned high fuel prices, strong competition and unfavourable currency impact.

"Despite stiff competition across its key markets, Emirates increased its revenue by 6 percent to \$ 26.7 billion," said its statement yesterday.

"2018-19 has been tough, and our performance was not as strong as we would have liked," said Sheikh Ahmed bin Saeed Al Maktoum, chairman of Emirates Airline and Group.

"Higher oil prices and the strengthened US dollar eroded our earnings, even

as competition intensified in our key markets," he said.

"The uptick in global airfreight demand from the previous year appears to have gone into reverse gear, and we also saw travel demand weaken, particularly in our region, impacting both dnata (an Emirati airport services provider) and Emirates," he added.

Emirates carried 58.6 million passengers in 2018-19. With seat capacity increasing by 4 percent, the airline achieved a passenger seat factor of 76.8 percent.

Passenger seat factor is an assessment of how efficiently a transport provider fills seats and generates fare revenue.

Emirates currently operates three flights a day from Dhaka via Dubai to over 150 destinations.

As tariff hike looms, China asks US to meet it halfway

REUTERS, Beijing

China appealed to the United States to meet it halfway to salvage a deal that could end their trade war, with its chief negotiator in Washington for two days of talks hoping to stave off US tariff increases set to be triggered on Friday.

The two sides had appeared to be converging on a deal until last weekend, when US President Donald Trump announced his intention to hike tariffs with his negotiators saying that China was backtracking on earlier commitments.

"The US side has given many labels recently, 'backtracking', 'betraying' etc... China sets great store on trustworthiness and keeps its promises, and this has never changed," Commerce Ministry spokesman Gao Feng told reporters in Beijing on Thursday.

Gao said it was normal for both sides to have disagreements during the negotiating process.

Speaking to supporters at a rally in Florida on Wednesday, Trump said China had "broke the deal, and vowed not to back down on imposing new tariffs on Chinese imports unless Beijing stops cheating our workers."

A protracted trade war between the world's

two largest economies would be damaging for global economic growth, and investors pulled their money out of stock markets this week as fears that the prospective agreement was unraveling.

Gao said the decision to send the delegation led by Vice Premier Liu He to Washington despite the tariff threat demonstrated China's "utmost sincerity".

"We hope the US can meet China halfway, take care of each others' concerns, and resolve existing problems through cooperation and consultations," Gao said.

He said it was normal to have disagreements during a negotiating process, and urged the United States to resist taking unilateral action, while warning that China was fully prepared to defend its interests.

"China's attitude has been consistent, and China will not succumb to any pressure," Gao said. "China has made preparations to respond to all kinds of possible outcomes."

He did not elaborate.

The US Trade Representative's office said tariffs on \$200 billion of Chinese goods would

rise to 25 percent from 10 percent at 12:01 a.m. (0401 GMT) on Friday, during the talks in Washington.

The tariffs would target chemicals, building materials, furniture and some consumer electronics among other goods.

Trump also threatened on Sunday to levy tariffs on an additional \$325 billion of China's goods, on top of the \$250 billion of its products already hit by import taxes.

Since July last year, China has cumulatively imposed countertariffs of up to 25 percent on about \$110 billion of US products. It last levied tariffs, of 5 percent to 10 percent, on \$60 billion of US goods including liquefied natural gas and small aircraft in September.

Based on 2018 US Census Bureau trade data, China would only have about \$10 billion in US imports left to levy in retaliation for any future US tariffs, including crude oil and large aircraft.

Gao did not answer directly when asked if China would consider imposing tariffs on imported US services.

Mitsubishi Motors switches gears to slower growth

REUTERS, Tokyo

Mitsubishi Motors Corp forecast on Thursday a 19 percent fall in operating profit this year as it reins in aggressive growth amid slowing global car demand and charts a new course after the ouster of former chairman Carlos Ghosn.

Japan's sixth-largest automaker, in which Nissan Motor Co holds a controlling stake, expects profit to fall to 90.0 billion yen (\$821.02 million) in the year to March, after a 14 percent rise to 111.8 billion yen in the year just ended. Mitsubishi said the need to invest heavily to develop and market new, on-demand transportation services and lower-emissions vehicles to comply with tighter regulations would put pressure on the automaker's growth prospects in the coming years.

It expects global sales to rise 4.9 percent to 1.31 million vehicles in the current year, slowing from the 13 percent growth seen in the year ended March as it sees sales growth slowing in Southeast Asia, a key market which has more than doubled in the past decade.

Mitsubishi CEO Osamu Masuko said that the automaker would accept slower sales growth by easing the pace of expansion

in ASEAN countries and growth markets of China and the United States in the coming years to ensure sustained profitability.

"We need to drastically revise our strategy even if we experience a temporary stall in performance," Masuko told reporters at a briefing. "It's not realistic to adopt a strategy based only on expansion. We need to prioritize healthy growth."

Masuko said that he would resist relying on discounting and fleet sales to grow overall sales, a strategy which has stung partner Nissan in the United States.

Mitsubishi is contending with slowing demand for cars, ongoing global trade frictions and the need to develop new technologies just as it and its partners Nissan and France's Renault SA grapple with the fallout from the arrest of Ghosn, the group's former chairman who is facing charges of financial misconduct in Japan.

Ghosn has been accused of enriching himself at a cost of \$5 million to Nissan. Since his initial arrest in November, he has also been charged with temporarily transferring personal financial losses to his employer's books and understating his salary during his time at the helm of Japan's No. 2 automaker.

Retail prices go up despite a drop in wholesale

FROM PAGE B1

Wholesale prices of chickpeas of different qualities ranged from Tk 60 to Tk 67 a kilogramme (kg) at Khatunganj yesterday, almost resembling that of last year, said Asutosh Mohajan, proprietor of wholesale firm Payel Traders.

Retail prices of chickpeas were found ranging from Tk 70 to Tk 75 per kg yesterday and the prices are around Tk 5 higher than that of the previous week.

The wholesale market is stable due to the ample supply required to meet the increased demand for Ramadan, said Abul Bashar Chowdhury, chairman of BSM Group, a Khatunganj based leading commodity importing firm.

The cheaper international prices have encouraged importers to bring in Ramadan commodities in bulk, said Chowdhury, adding that it was difficult for any trader now to increase the prices to a great extent due to the ample supply.

Around 9.58 lakh tonnes of raw sugar have been imported in the last four months while demand for this commodity during Ramadan is around 3 lakh tonnes.

Price of raw sugar in the international market was \$310 a tonne this year, down

from \$330 last year. Wholesalers here are selling loose sugar at Tk 46 a kg.

According to the Trading Corporation of Bangladesh, retail price of sugar dropped by around 7 percent from that last year and was sold at Tk 52 a kg yesterday.

Around 1.33 lakh tonnes of lentil and 2.73 lakh tonnes of dun pea were imported from January to April this year against its Ramadan demand of 80,000 tonnes.

Global price of lentil reduced remarkably, hitting \$400 to \$450 per tonne in January and February this year down from \$500 to \$600 in the previous year, according to the importers.

Wholesale prices of lentil ranged from Tk 46-50 a kg in the last one week while the prices ranged from Tk 50 to Tk 53 a kg ahead of Ramadan last year, said Ratan Ghosh, a wholesaler. Retailers were found selling the item at Tk 55 a kg.

Price of lentil of good quality, however, increased in the retail markets, hitting Tk 105 a kg, up from Tk 95 before Shabe-Barat. Wholesale price of dun pea is Tk 35 a kg which is similar to last year's price, Ghosh added.

The price of dun pea fell by \$25 in the global market to \$275 a tonne this year.



Dandan Chen, acting country director of World Bank, calls on Finance Minister AHM Mustafa Kamal at his office in Dhaka yesterday. Story on B1

Panasonic net profit up

AFP, Tokyo

Japanese electronics giant Panasonic reported a boost in yearly net profits on Thursday but offered a pessimistic forecast for the year ahead thanks to slower sales of industrial systems and reform costs.

The firm said annual net profit was up 20.4 percent on-year at 284.1 billion yen, with asset sales and a revision of its pension scheme compensating for falling profits in key segments.

But it forecast a 29.6-percent fall in net profit to 200 billion yen (\$1.8 billion) for the year to March 2020.

Increased materials cost and restructuring expenses were already seen weighing on its earnings, the company said.

"Overall sales (are) expected to decrease due to sales decreases in industrial solutions along with factors such as the impact of business portfolio reform," the firm said.

The company expects its annual operating profit to fall 27.1 percent to 300 million yen on expected sales of 7.9 trillion yen, down 1.3 percent.

The forecasts compared sharply with comparatively upbeat data from the just-finished fiscal year: an operating profit of 411.5 billion yen, up 8.1 percent, and sales of 8.0 trillion yen, up 0.3 percent.

Panasonic said it expected higher air conditioner sales in China as well as international sales of automobile batteries.

DSE to check Coppertech's papers again

FROM PAGE B1

The DBA also said investors are shocked to see such irregularities on the balance sheet of Coppertech, a copper pipe, tube, bar, strip, and wire manufacturer.

The BSEC approved the IPO proposal of Coppertech Industries on December 26, 2018.

The company has already completed the IPO lottery draw on completion of public subscription of 2 crore shares worth Tk 20 crore under the fixed price method.

It is now waiting to get listed on the stock exchange.

The DSE board also decided to hold a meeting of a special committee formed to review the losses of ACI, which it deems to be artificial.

The committee will decide the next steps at the meeting.

Exports fetch \$3b in April

FROM PAGE B1

Pharmaceuticals, cement, salt and ores, petroleum byproducts, plastic goods, ceramics, handicrafts, cotton and cotton products (yarn and wastes of fabrics), carpet, terry towel, footwear, wigs, and furniture fared well during the 10-month period.

However, leather and leather goods and jute and jute goods continued their poor show.

Between July and April, leather and leather goods fetched \$837.07 million, an 8.69 percent drop year-on-year.

Leather and leather goods have been performing poorly as many tanneries that have shifted to the leather estate in Savar

have not started full production yet. The leather and leather goods sector is the only segment that had crossed the \$1-billion export mark after the garment sector.

The sector's earnings may still go past the mark at the end of the fiscal year.

Exports of jute and jute goods, another important foreign currency earner, fell 21.83 percent year-on-year to \$695.52 million between July and April.

The sector's earnings have been declining mainly because of higher use of jute goods like sacks in the domestic market and the anti-dumping duty slapped on it by India.

Home textiles, building materials, ships and bicycles also performed poorly.

BB agrees to redefine banks' stock exposure

FROM PAGE B1

Affected small investors, merchant banks and brokerage houses as well as other capital market intermediaries may get loans from the scheme.

In March 2012, the government formed the Tk 900 crore-scheme to protect the interest of small investors in the capital market. The central bank, on behalf of the government, implemented the scheme through the ICB.

After successful implementation of the scheme, the ICB has returned Tk 856 crore to the central bank.

Banks' investment in bonds, floated by the ICB, will not be calculated as their capital market exposure, Moniruzzaman said. DSEX, the benchmark index of the DSE, witnessed a huge fall of 775 points over a span of three months. Turnover, another important indicator of the DSE, also dropped to Tk 300 crore from Tk 1,000 crore.

FDI soars 71pc, hits record

FROM PAGE B1

Islam said Bida has taken initiatives to amend a number of rules and regulations that were directly related to foreign direct investment.

Bida received proposals involving \$11 billion in foreign direct investment last year.

"If all of the proposals are materialised, the need of FDI in Bangladesh will improve massively in the coming days," Islam said.

He said foreign investors who were already in Bangladesh were reinvesting which proves that their confidence in the country has grown.

The FDI inflow is rising because of the improvement in power generation as well as implementation of a number of mega projects, he said.



Mahtab Uddin Ahmed, Robi's CEO, attends a ceremony at its corporate office in Dhaka recently announcing availability of domestic air tickets at bdtickets.com.

Rising mercury fuels AC sales

FROM PAGE B1

Karim of Esquire Electronics says the company has set a target to double its growth this year and is offering from Tk 12,000 to Tk 16,000 cash back.

Md Shariful Islam, product manager (digital appliance) of Samsung, said the company is expecting to record 75 percent sales growth at the end of 2019 as the demand of its inverter AC is impressive.

Its AC price ranges from Tk 47,990 to Tk 85,990.

Singer has introduced exciting offer for customers on the occasion of Ramadan and Eid-ul-Fitr, the biggest spending season in

Bangladesh. It is offering up to Tk 7,700 cash discount.

Customers can buy the item with EMI facility for 12 months after making Tk 4,000 in down payment. Singer accepts credit cards of 27 banks.

Kamruzzaman Kamal, director for marketing at Pran-RFL, said Vision brands recorded 100 percent sales growth last month. The brand assembles 10 models with price ranging from Tk 35,000 to Tk 165,000.

Region-wise, almost 60 percent ACs are sold in Dhaka city and the rest in divisional cities and district headquarters.