



Mizanur Rashid, chief commercial officer of bKash, and Omar Ali, CEO of Piickme, a ride-hailing platform, exchange documents after signing a deal at the former's office in Dhaka recently facilitating bKash payment for Piickme passengers.

Delay the 'dot plot'? Fed policymakers face communications quandary

REUTERS, San Francisco/ Washington

As Federal Reserve policymakers grapple with how to downplay their quarterly "dot plot" projection of interest rates without eliminating it altogether, some are looking at a compromise: delay its release to reduce the chances that analysts treat it as a sneak peek of where Fed policy is heading.

Four times a year, the Fed releases a chart of "dots" representing the anonymous, individual rate projections of Fed policymakers for the next few years. Released at the same time as the group's monetary policy statement, the "dots" rate view sometimes overwhelms the more nuanced statement.

The idea for a fix comes amid a broad discussion of communications inside the Fed, and is unlikely to reach a resolution until next year.

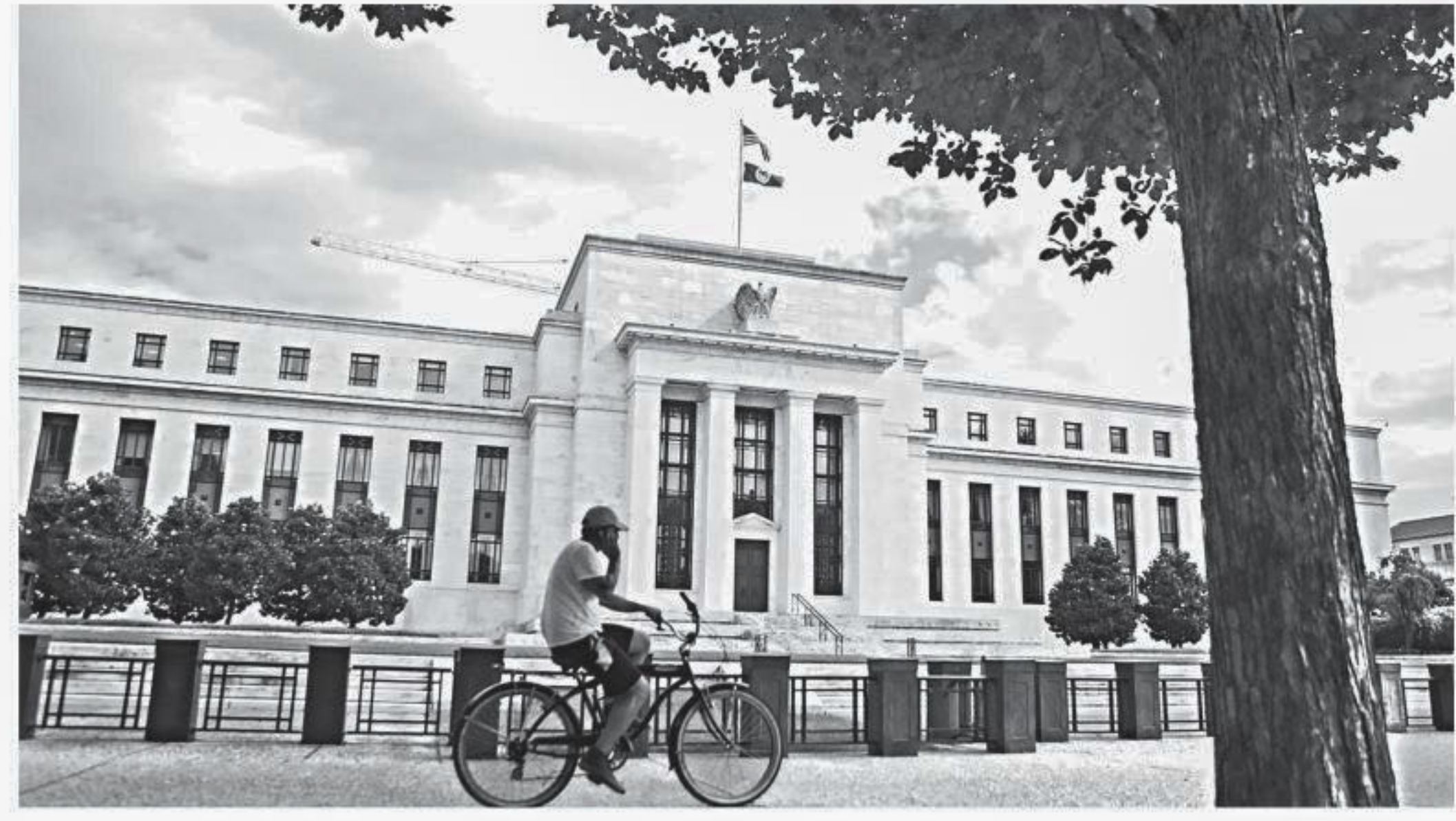
Meanwhile the next dot plot will be published at the close of the Fed's June 18-19 policy meeting, when the central bank is seen keeping rates unchanged but acknowledging economic headwinds posed by rising trade tensions. How those headwinds are reflected in June's dots could prove dicey.

Fed Chair Jerome Powell has signaled growing frustration about the outsized sway of the dots on traders and investors who use it as a sort of forecast of Fed policy. That was never the intent envisioned by officials for the collection of 17 separate ideas about the appropriate path of rates, meant to be distinct from the collective outlook captured in the Fed's post-meeting statements.

"The problem with the dot plot is that it is released simultaneously with the statement," St. Louis Federal Reserve Bank President James Bullard said last week on the sidelines of a Fed conference on monetary policy strategy and communications.

That creates a "conundrum" for Powell, Bullard said.

"If it was released at some other time, that



A cyclist passes the Federal Reserve building in Washington, DC.

would maybe keep the transparency but reduce the conundrum aspect and (keep) the focus on the statement of the committee, which is really what the committee actually decided upon," he said.

Bullard has made no secret of his antipathy for the dot plot, and last week said he is unsure how much support the idea of a delay has among his colleagues. The Fed rarely makes changes without months if not years of debate.

Fed Vice Chair Richard Clarida is leading a subcommittee at the Fed to look at ways to improve communications around the dot plot, according to minutes of the Fed's March meeting.

In a paper on communications for last week's Fed conference in Chicago commissioned by Clarida, Brandeis University economics professor Stephen Cecchetti called for a speedier release of context around the dot plot, rather than a delay in publishing it.

Currently details on uncertainty bands are released three weeks after the fact, with the minutes of the policy meeting; an anonymized matrix tying each policymaker's economic forecast to its correlated rate projection takes five years, while full clarity on which dot belongs to which policymaker takes 10.

Delaying the release of the "dot plot" even just the three weeks until the minutes are published would be "unfortunate" and "dramatically reduce the information content of what's being produced at the time of the meeting," Cecchetti told Reuters.

Never intended as a consensus Fed forecast, the chart was first published in 2012 and quickly became a pillar of the Fed's efforts to keep policy easy because it so plainly showed policymakers agreed rates ought to stay low for a while.

India's inflation likely to hit seven-month high

REUTERS, Bengaluru

India's retail inflation likely accelerated to a seven-month high in May on rising food prices, but it is expected to remain well below the Reserve Bank of India's target, giving it room to ease policy further, a Reuters poll found.

The RBI changed its stance to "accommodative" from "neutral" last week and cut interest rates for the third time in a row, bringing the borrowing rate to a nine-year low of 5.75 percent.

According to a June 4-7 Reuters poll of over 40 economists, the retail inflation rate rose to 3.01 percent in May from a year earlier, up from 2.92 percent in April. Forecasts ranged between 2.83-3.50 percent.

If the consensus forecast is met, consumer prices will rise at their fastest pace since October, but would still be lower than the central bank's medium-term

target for a 4.0 percent increase for a tenth consecutive month.

Food prices have steadily risen since March after contracting from October 2018-February 2019. Food prices constitute nearly half of India's inflation basket.

"The uptick in retail inflation is because of higher vegetable prices," said Sameer Narang, chief economist at Bank of Baroda. "Pre-monsoon rains have been delayed and are below normal. It has put sowing a bit behind (schedule) because of which productivity will be low, pushing prices higher."

In a country where agriculture largely relies on rain instead of irrigation, a weak monsoon can lead to a sharp rise in food prices.

The RBI also highlighted that risk last week and raised its inflation forecasts for the first half of the current fiscal year.



Md Salim Uddin, chairman of the executive committee at Islami Bank Bangladesh Ltd, speaks at the bank's business development conference for its Chattogram region at the Radisson Blu Chattogram Bay View recently.

Japan Q1 growth revised up

AFP, Tokyo

Japan's economy grew slightly faster than initially thought in the first quarter of this year, due partly to better-than-expected corporate investment, official figures showed Monday.

The world's third-biggest economy grew 0.6 percent quarter-on-quarter, up from the preliminary figure of 0.5 percent, the cabinet office said.

The latest data was being closely watched amid speculation Prime Minister Shinzo Abe's government could postpone a planned sales tax hike for the third time if the data was very weak.

A report on Sunday however said Abe's government is now expected to hike the tax to 10 percent from eight percent in October, as scheduled, with the ruling party expecting a landslide victory in an upper house election planned next month.

It was the second successive expansion for the Japanese economy after growth of 0.5 percent in the fourth quarter of last year and defied gloomy expectations by analysts who predicted a small decline at the start of 2019.

As in the preliminary data, net exports contributed strongly to the latest growth figures but only because the fall in imports outweighed a decline in exports, the cabinet office said.

Corporate investment was slightly stronger than estimated in the preliminary data, it said.

The latest indication of Japan's economic health comes amid uncertainty over the global economy, including US-led trade tensions, Brexit and other factors.

The world's top financial policymakers admitted Sunday that trade tensions had worsened and posed a risk for the global economy, after a G20 meeting that laid bare differences between the United States and other nations.

Following 30 hours of wrangling in what one official described as a "tense" atmosphere, G20 finance minister and central bank chiefs produced a hard-fought final statement acknowledging that "growth remains low and risks remain tilted to the downside."

"Most importantly, trade and geopolitical tensions have intensified," the G20 said, adding they "stood ready to take further action" if required.

বাংলাদেশ পল্লী উন্নয়ন একাডেমি
কোটবাড়ী, কুমিল্লা

তারিখ: ০৯-০৬-২০১৯

৫০০ কেভিএ অকেজো জেনারেটর বিক্রির দরপত্র বিজ্ঞপ্তি

০১। দপ্তরের নাম : বাংলাদেশ পল্লী উন্নয়ন একাডেমি, কোটবাড়ী, কুমিল্লা।

০২। দরপত্র প্যাকেজ নং : বার্ড ক্যাম্পাসের অভ্যন্তরে অকেজো ৫০০ কেভিএ জেনারেটর।

০৩। দরপত্র বিজ্ঞপ্তির নং ও তারিখ : ০১০৬/১৯/১৯

০৪। দরপত্র বিক্রিযোগ্য দ্রব্যের নাম : বার্ড ক্যাম্পাসের অভ্যন্তরে অকেজো ৫০০ কেভিএ জেনারেটর।

০৫। দরদাতার যোগ্যতা : যে কোন ঠিকাদার/আগ্রহী ব্যক্তিবর্গ এই নিলামে অংশ গ্রহণ করতে পারবেন।

০৬। দরপত্র সিডিউলের মূল্য (প্রতিটি) : ৫০০.০০ (পাঁচশত) টাকা মাত্র (অফেরতযোগ্য)।

০৭। জামানত প্রদানের বিবরণ : দরপত্রের সাথে যে কোন তফসিলী ব্যাংক হতে পরিচালক (প্রশাসন), বার্ড, কোটবাড়ী, কুমিল্লা-এর বরাবরে ৫০,০০০/- (পঞ্চাশ হাজার) টাকার ব্যাংক ড্রাফট/পে অর্ডার জামানত হিসাবে দাখিল করতে হবে।

০৮। দরপত্র বিক্রয়ের স্থান : ১। এস্টেট কাম স্টোর অফিসার, বার্ড, কোটবাড়ী, কুমিল্লা, ২। জেলা প্রশাসকের কার্যালয়, কুমিল্লা।

০৯। দরপত্র গ্রহণের স্থান : পরিচালক (প্রশাসন), বার্ড, কোটবাড়ী, কুমিল্লা-এর দপ্তর।

১০। দরপত্র বিক্রয়ের সর্বশেষ তারিখ ও সময় : ২৬.০৬.২০১৯ খ্রিঃ বিকাল ৪:০০ পর্যন্ত।

১১। দরপত্র গ্রহণের তারিখ ও সময় : ২৭.০৬.২০১৯ খ্রিঃ দুপুর ১২:০০ পর্যন্ত।

১২। দরপত্র খোলার তারিখ ও সময় : ২৭.০৬.২০১৯ খ্রিঃ দুপুর ১২:০০ ঘটিকায় উপস্থিত দরদাতাদের (যদি কেহ উপস্থিত থাকেন) সম্মুখে দরপত্র খোলা হবে।

১৩। দরপত্র খোলার স্থান : শ্রেণী কক্ষ-৪, বার্ড, কোটবাড়ী, কুমিল্লা।

১৪। বিশেষ নির্দেশনাঃ

ক) দরপত্র গ্রহণের শেষ দিন কোন দরপত্র বিক্রি করা হবে না।

খ) প্রাকৃতিক দুর্যোগ বা অন্য কোন কারণে কার্যদিবস ব্যহত হলে পরবর্তী কার্যদিবসে নির্দিষ্ট সময়সূচি অনুযায়ী বর্ণিত স্থানে দরপত্র সংক্রান্ত কার্য সম্পাদন করা হবে। এ জন্য আলাদাভাবে কোন বিজ্ঞপ্তি জারি করা হবে না।

গ) দরপত্রে অংশগ্রহণের পূর্বে সরেজমিনে ৫০০ কেভিএ জেনারেটর দেখে অংশগ্রহণের জন্য অনুরোধ করা হল। দরপত্র কার্যসম্পাদনের পর অকেজো জেনারেটর নিয়ে কোন আপত্তি গ্রহণযোগ্য হবে না।

ঘ) bardbd@yahoo.com এ ই-মেইল নম্বরে দরপত্রে অংশগ্রহণ করা যাবে। তবে অংশগ্রহণকারীকে বর্ণিত তারিখের মধ্যে অবশ্যই নির্ধারিত দরে সিডিউল ত্রয় করতে হবে এবং দরপত্রের দিন জামানত প্রদান করতে হবে।

ঙ) কোন কারণ দর্শানো ব্যতিরেকে যে কোন দরপত্র গ্রহণ অথবা বাতিল করার ক্ষমতা কর্তৃপক্ষ সংরক্ষণ করেন।

তারিখ: ০৯-০৬-২০১৯ইং
জিডি-১০৭৭

ড. মোঃ শফিকুল ইসলাম
পরিচালক (প্রশাসন)

China's exports beat forecast to rise as trade war heats up

AFP, Beijing

China's exports beat gloomy forecasts to rebound in May though imports sank more than expected, official data showed Monday, as concerns lingered about the impact of its ongoing trade war with the United States.

The spat between the world's top two economies escalated last month, with President Donald Trump increasing tariffs on \$200 billion in Chinese goods.

But Chinese exports to the world bounced back to rise 1.1 percent last month after falling 2.7 percent in April, according to customs data. Analysts surveyed by Bloomberg News had forecast a 3.9 percent drop.

Imports, however, plummeted 8.5 percent after rising 4.0 percent in April.

The trade surplus surged to \$41.7 billion in May compared with \$13.8 billion the previous month. The politically sensitive surplus with the United States was \$26.9 billion, up from \$21 billion in April.

Trade talks between Beijing and Washington have stalled while the two countries have threatened to slap more sanctions on each other.

Trump has blacklisted Chinese telecom giant Huawei and warned that he could impose tariffs on nearly all remaining products from China, worth more than \$300 billion.

Beijing responded to Trump's latest tariff hike by increasing levies on \$60 billion of US products on June 1.



A customer looks at an imported Renault car in a showroom in China's eastern Shandong province on June 9.

China is also preparing its own blacklist of "unreliable" companies and has suggested that it could halt exports of rare earth minerals -- key to the production of many high-tech goods -- to the United States.

Trump is expected to meet Chinese President Xi Jinping at the G20 summit in Japan at the end of the month.

US Treasury Secretary Steven Mnuchin said at a G20 meeting of finance ministers Saturday that any potential deal with China will wait until the two presidents meet later this month, but Washington was ready to impose new tariffs if talks fail.

Analysts said despite the rebound in exports, China's trade outlook is likely to suffer because of the turbulence ahead.

"While exports rose in May, weaker global demand and the escalating trade war suggest that they will start to fall again before long," Marcel Thielen, senior economist at Capital Economics, said in a note.

Others attributed the bounce in May to exports being scheduled so they are shipped ahead of when tariffs kick in, pointing to a likely drop later in the year.

The better-than-expected exports in May, which could have been helped by a depreciation in... (China's currency) and front-loading of shipments amid fears of higher US tariffs, do not change our overall cautious view on China's export look for 2019," Betty Wang, Senior China Economist at ANZ Research, said in a note.