Star BUSINESS

DHAKA MONDAY OCTOBER 14, 2019, *ASHWIN 29, 1426 BS* starbusiness@thedailystar.net

Massive cuts in short code tariffs

Charges to drop 77.5pc for govt entities, 50pc for private

MUHAMMAD ZAHIDUL ISLAM

Bangladesh Telecommunication Regulatory Commission (BTRC) has decided to lower the call charge for public service short codes by 77.5 percent to Tk 0.45 from Tk 2 a minute.

The telecom watchdog also plans to fix the voice tariff at Tk 1 per minute—down from Tk 2—for short codes used by private organisations.

However, seven designated public toll-free numbers were kept out of this list: they would continue to be free like before.

After taking the decisions in two separate meetings, the BTRC has recently directed all mobile operators to implement the new rates.

But the telecom operators have opined that the move will create extra pressure on their revenue basket.

Short code is a three or five-digit number that the government entities or business houses use to deliver their service automatically and in a much hassle-free way round-the-clock.

The BTRC used to allocate this number under the country's number plan.

Currently, there are 72 government agencies that have short code services and only seven of them are toll free, meaning they do not charge customers for the calls.

Bangladesh Police, the Anti-Corruption Commission, Department of Disaster Management, Bangladesh Election Commission, child helpline service, National Legal Aid Services Organization and the Ministry of Women and Children Affairs use the toll-free codes.

Of the rest, three numbers charge Tk 0.50 a minute and the rest Tk 2 a minute. And this revenue is shared with the service providers and other carriers as well under their business agreement.

On the other hand, currently there are 25 commercial short codes allocated by the BTRC, mostly run by banks and some other financial institutions that are also charging Tk 2 to Tk 2.34 per minute.

The telecom regulator moved to cut the short code calling rate after the health ministry sought a reduced rate.

READ MORE ON B3

KEY POINTS

- Public toll-free numbers to remain free
- New rates to squeeze revenue, telecom operators say
- 72 government agencies have short code services
- 3 govt short codes charge at Tk 0.5 a minute, the rest at Tk 2
- Banks, non-banks use 25 such codes at Tk 2-2.34 a minute

Tax collection off to a slow start

Shortfall stands at Tk 9,317cr in Jul-Aug

STAR BUSINESS REPORT

Tax receipts grew only 3.35 percent in the first two months of the fiscal year, leaving a shortfall of Tk 9,317 crore in the National Board of Revenue's annual target of Tk 325,600 crore.

Between July and August, the tax collector logged in Tk 29,620 crore in revenue against the goal of Tk 38,938 crore, much to the annoyance of Finance Minister AHM Mustafa Kamal.

Taxmen blamed the implementation of the new value-added tax law and too many discounts and exemptions extended to various sectors for the slower collection growth.

In the first two months, tax collection from VAT, the biggest source of revenue, grew only 1.02 percent year-on-year to Tk 11,199 crore mainly because of a decline in receipts from cigarettes, the biggest source of VAT and supplementary duty.

Receipts from customs dropped 1.45 percent year-on-year to Tk 9,572 crore.

"The reasons you are citing for your failure are not a matter to consider," Kamal told a meeting of top NBR officials and commissioners for income tax, VAT and customs at the NBR headquarters yesterday.

The meeting took place three months after Kamal placed his maiden budget, assigning taxmen to collect 45 percent, or Tk 101,708 crore, more than last fiscal year.

Taxmen are responsible for collecting revenue to help the government implement the budget and attain its development goals.

"We have to attain the revenue goals. If we cannot, from where will your salaries come? It is your responsibility," Kamal told revenue officials.

Tax collection was roughly Tk 55,000 crore short of the target in fiscal 2018-19. "How will I recover this Tk 55,000 crore now?" he asked.

Income tax, the second biggest source of revenue, was the bright spot: its collection grew 12.56 percent during the period, according to data from the NBR.

Kamal said the reasons cited behind the sluggish collection growth now cannot be stated in the next meeting.

"Target has to be achieved. You have to come out of the mindset of escape, evade and avoidance. The target we have given is doable," he added.

Referring to the NBR's estimate that there are 4 crore people with taxable incomes, he directed taxmen to take action against those who are not paying tax.

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Stocks slump for fifth day

Dhaka bourse loses Tk 13,031cr in five days

STAR BUSINESS REPORT

The stock market continued to bleed for the fifth day straight as tension surrounding the regulatory tussles of Grameenphone, the largest company on the Dhaka Stock Exchange, refuses to calm down, affecting the overall mood of the market.

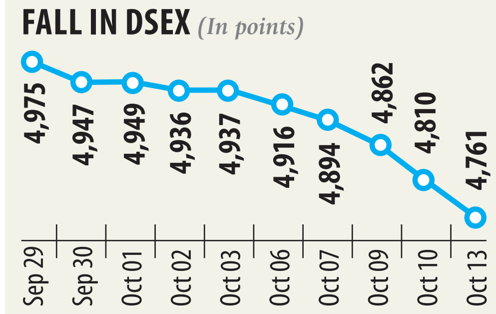
In the last five days, DSEX, the benchmark index of the DSE, lost 175.95 points and Tk 13,031 crore in market capitalisation.

Yesterday, the index lost 48.34 points, or 1 percent, to close at 4,761.87 -- the lowest in three years.

A stock broker upon condition of anonymity said Grameenphone's tug-of-war with the telecom regulator over unpaid dues is a major reason for the slide.

The Bangladesh Telecommunication Regulatory Commission has demanded Tk 12,579.95 crore from Grameenphone in unpaid dues after audit into its books since its inception.

FALL IN DSEX *(In points)*



SOURCE: DSE

But the carrier disputes the amount.

The country's leading mobile operator's stock took a huge beating since February because of the issue. Since then, Grameenphone shares slumped 21.31 percent.

However, investors saw a light at the end of the tunnel when Finance Minister AHM Mustafa Kamal stepped in on September 17 and announced the matter would be resolved within three weeks.

"But, the tension is still prevailing as the issue remains unsettled. So Grameenphone stock fell in the last few days," the stock broker added.

Grameenphone stocks fell 2.1 percent yesterday to Tk 326. With this fall the index lost about 17 points alone yesterday.

The government's tough decision on the largest listed company impacted the confidence of foreign and institutional investors, said another stock broker.

Moreover, the stock market regulator failed to curb the manipulation on many stocks in recent months, he said, adding that the general investors lost money and big investors lost confidence.

"So, institutional investors are not investing money even after the Bangladesh Bank offered loans to banks to invest in stocks," he added.

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Bangladesh second in South Asia in GDP growth: WB

STAR BUSINESS REPORT

The Bangladesh economy is forecast to achieve the second highest growth rate this fiscal year in South Asia, the World Bank said in its biennial regional economic update yesterday.

Bangladesh's gross domestic product is projected to grow at 7.2 percent this fiscal year and 7.3 percent the following year, according to the latest edition of the 'South Asia Economic Focus, Making (De) centralisation Work',.

Bhutan topped the list with an estimated 7.4 percent growth this fiscal year.

"The outlook is clouded by rising financial sector vulnerability, but the economy is likely to maintain growth above 7 percent, supported by a robust macroeconomic framework, political stability and strong public investments."

The WB forecast is much lower than the government's target of 8.2 percent for the current fiscal year.

The GDP is estimated to have grown 8.1 percent in the fiscal year that ended in June, in the highest expansion in the region.

The fiscal year ends in June in Bangladesh, Bhutan, Nepal and Pakistan, and for India it is in March.

Bangladesh will also clock the highest growth in fiscal 2020-21 too, according to the report.

In India, after the broad-based deceleration in the first quarter of the fiscal year, growth is projected to fall to 6 percent come March next year.

Growth is then expected to gradually recover to 6.9 percent in fiscal 2020-21 and to 7.2 percent in the following year.

Pakistan's growth is projected to deteriorate further to 2.4 percent this fiscal year. In Sri Lanka, growth is expected to soften to 2.7 percent in 2019.

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GROWTH FORECAST FOR FY2020
In %

Bhutan	7.4
Bangladesh	7.2
India	6.9
Nepal	6.4
Maldives	5.5
Sri Lanka	3.3
Afghanistan	3.0
Pakistan	2.4

SOURCE: WORLD BANK

BASIS recognises ICT icons

STAR BUSINESS REPORT

The Bangladesh Association of Software and Information Services (BASIS) Saturday honoured 69 companies and individuals in 35 categories for their extraordinary contribution to innovations and business solutions in the ICT sector.

Information Minister Hasan Mahmud, State Minister for Public Administration Farhad Hossain and State Minister for ICT Zunaid Ahmed Palak handed over the awards among the winners at the Bangladesh National ICT Awards 2019.

BASIS also declared 29 of the awardee companies as champions in 27 categories for their outstanding performance, at the event held at Radisson Blu Dhaka Water Garden.

READ MORE ON B3

Union leaders urge Sanofi to stay

STAR BUSINESS REPORT

The union leaders of Sanofi Bangladesh yesterday demanded the French pharma giant back away from its plan to close its operations in the country as it has been a profitable venture.

In a letter to the Sanofi board recently, Muin Uddin Mazumder, managing director of Sanofi Bangladesh, and Charles Billard, chief financial officer of Sanofi India and South Asia, informed their intent to sell their stakes in Bangladesh for strategic reasons.

Sanofi has been making profits for many years and it proves that the workers cannot be made responsible for any potential winding up of the factory.

Rather, problems at the top level of the company may influence the management to leave the country, Abdur Razzaque, president of the Sramik-O-Karmachari Union, told reporters.

The platform of the workers and employees of Sanofi Bangladesh organised a press conference at the National Press Club in Dhaka.

Razzaque said Sanofi has not served any notice or letter to the workers expressing its intention to close the operations yet.

"However, we were called in a meeting by the managing director who informed us that the company has been planning to shut its operation in Bangladesh."

The management said Sanofi is going to leave the country mainly because of lower profit, he said. "Sanofi has been making profit but it wants even higher profit."

Razzaque said their principal demand is that Sanofi does not leave the country.

"Let the company continue its business as it has been producing life-saving drugs since 1958."

About 1,100 workers are employed at the multinational company's plant in Tongi.

Nevertheless, if Sanofi leaves Bangladesh ultimately, it will have to pay compensation to employees properly, Razzaque said.

Whatever the tenure of the services, the drug-maker will have to pay the salary and other benefits to the employees for next 10 years, including the current service benefits, he added.

The employees will hold rallies and forum human-chains if the demands are not met as soon as possible, according to Razzaque.

In his written speech, Golam Mostafa, general secretary of the Sanofi Karmachari Union, said the departure of Sanofi would have a bad impact on the foreign direct investment.

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DMONEY

TR Ramachandran, group country manager for India and South Asia at Visa, and Aref R Bashir, managing director of Dmoney, exchange the signed documents of an agreement at the latter's head office in Dhaka recently for enabling QR payments through Visa cards and credentials. Sonia Bashir Kabir, CEO of Dmoney, was present.

Lyft follows Uber in suing NYC over cruising time caps

REUTERS

Lyft Inc, following its rival Uber's move, has sued New York City seeking to nullify a new rule limiting the time its drivers are allowed to spend cruising in Manhattan without passengers, the company said on Saturday.

The lawsuit, filed by the San Francisco-based ride-hail company on Friday, argues that the cruising rule is arbitrary and threatens to shift business away from ride-hailing companies like Lyft in favor of taxis.

"This rule is not a serious attempt to address congestion, and would hurt riders and drivers in New York," Lyft spokesman Campbell Matthews said in a statement to Reuters.

The "cruising cap" rule, implemented by the city's Taxi and Limousine Commission (TLC), sets a 31 percent limit on how much time drivers of app-based vehicles may drive without passengers in Manhattan south of 96th Street, meaning they would have to have fares at least 69 percent of driving time.

"We will vigorously defend against this suit, and we will continue to fight for safer, less congested streets and for drivers' rights," TLC spokesman Allan Fromberg said in a statement, but mentioned that the agency has not been served with the suit yet.

The rule, along with several others introduced last year, is aimed at reducing congestion in Manhattan, where ride-share vehicles make up close to a third of peak time traffic, according to the TLC.

Uber contested the rule in September along with another rule banning issuance of new licenses to for-hire vehicles through August 2020.

Uber and Lyft disconnected drivers from their apps at times of slow demand this year in an effort to comply with the city regulation.

Both companies oppose the new rules, saying they will prevent drivers from earning money and deprive low-income New Yorkers of ride services in remote areas where regular taxis do not travel frequently. The city rejects that claim.

WB slashes India's growth forecast to 6pc for this fiscal year

REUTERS, *New Delhi*

The World Bank on Sunday slashed its growth forecast for India's current fiscal year to 6 percent, down from 7.5 percent, warning that the "severe" slowdown could further weaken the country's stuttering financial sector.

In its last forecast in April, the bank had said that India's economic outlook was strong and expected growth of 7.5 percent during the current fiscal year that began in April.

But Asia's third-largest economy is currently growing at its slowest pace in six years, expanding by just 5 percent in the April-June quarter, hit by flagging consumer demand and a slackening in government spending.

India's industrial output also shrank at its fastest rate in more than six years in August, data released last week showed, indicating that a slew of government measures had yet to underpin a recovery.

In an effort to kick-start the economy, India's central bank has cut interest rates five times this year, and underlined the challenge for policymakers by downgrading its growth forecast to 6.1 percent from 6.9 percent earlier this month.

Last week, ratings agency Moody's Investors Service lowered its growth forecast for India to 5.8 percent for the current fiscal year from 6.2 percent, adding that a long period of weak growth will hamper the government's fiscal consolidation plans.

The World Bank's latest forecast also underlined similar concerns linked to slowing growth and New Delhi's decision to cut the corporate tax rate, which will cost about 1.5 trillion rupees in tax revenues.

"While the authorities have shown steadfast commitment to fiscal prudence, the significant growth deceleration as well as the corporate tax cuts undertaken to counter it come with heightened risks of fiscal slippage," the bank's report said.

The bank said it expects the economy to gradually recover, growing at 6.9 percent in the fiscal 20/21 starting next April.

Partial US-China trade deal only 'baby step' as thorny issues remain

AFP, *Beijing*

A partial US-China deal may only offer a temporary tariff reprieve because it lacks specifics and leaves the thorny issues for later, analysts said, allowing both economic powers to claim success.

Friday's initial agreement -- which included increasing US farm product purchases, and also covers intellectual property, financial services and currencies -- finally breaks an 18-month trade spat.

Engulfed in an impeachment inquiry, US President Donald Trump heralded the deal as a major breakthrough.

But it will take weeks to finalise and the details are not clear -- nor will it roll back tariffs already in place on hundreds of billions of dollars in two-way trade.

"The lack of specificity and even the fact this baby stepped agreement could take weeks to iron out, quickly cooled trader optimism," said Axi Trader analyst Stephen Innes.

After earlier attempts at a truce between Trump and his Chinese counterpart Xi Jinping did not pan out businesses remained cautious, Innes said.

There is "fear this could be more of the same old lather rinse and repeat trade detente followed by trade escalation," he said.

For now, Washington will hold off on a massive tariff increase planned for next week and -- as negotiations progress -- new December tariffs could also be cancelled, US officials said.

Trump said China had pledged to rapidly increase purchases of American farm products to \$40-50 billion -- a stunning feat, and more than double 2017 levels.

But China is yet to confirm these details.

"Substantial progress had been made in such areas as agriculture, intellectual property rights protection, exchange rate, financial services, expansion of trade cooperation, technology transfer and dispute settlement," state-run Xinhua news agency reported citing Liu He, the country's top negotiator.

"The two sides also discussed arrangements for future consultations," Liu said when he met Trump Friday, according to Xinhua.

Previously, Trump has blamed China for backtracking on its promises.

On Friday, the US president played up the "substantial phase one" deal as a result of his hard-line stance with China.

"It's not much and it doesn't get us very far in the big issues, so whether it will lead to anything important is still very unclear," said Barry Naughton, an expert on China's economy at the University of California, San Diego.

The Chinese Communist Party mouthpiece People's Daily warned in an editorial Saturday the trade war would only be resolved by "abolishing all tariffs." But to get there, the two sides need to address issues such as scaling back Chinese government subsidies that have skewed competition, and opening up sectors dominated by state-owned enterprises (SOEs).

In a step in towards that, China recently announced a timetable to remove foreign ownership limits in finance companies beginning next year.

Beijing also passed a foreign investment law in March, promising a level playing field for overseas investors, addressing a major US complaint.

But "a significant improvement is... not very likely," said Song Houze, a research fellow at The Paulson Institute.

"The existence of thorny issues like SOE and tech make a major deal unlikely, which means the existing tariff will most likely stay." The latest truce, however, was essential for both sides as both face cooling domestic growth, he said.

US restrictions on Chinese investments in its high-tech sectors -- blocking Huawei from government contracts -- and sanctions on a series of China's tech giants have also cast a shadow on trade negotiations.

The US commerce department said last week it will blacklist 28 Chinese entities it says are implicated in rights violations and abuses in China's Xinjiang region.

"Even if the US and China reach a comprehensive trade deal, the US will likely tighten restrictions on China's access to technology in the coming years," said Wang Tao, head of Asia economics at UBS Investment Bank.

"The US has elevated this issue to national security and it may be hard to reverse, no matter what kind of agreement they reach (or not) on Huawei," said Wang Tao, head of Asia economics at UBS Investment Bank.

REUTERS/FILE

Workers are seen next to aluminium rolls at a plant in Binzhou, China.

JAMUNA BANK

AKM Mosharraf Hussain, a director of Jamuna Bank, cuts a ribbon to open the bank's 133rd branch at Salanga Bazar of Raiganj upazila in Sirajganj. Nur Mohammed, chairman of Jamuna Bank Foundation, and Shafiqul Alam, CEO of the bank, were present.

Bruised US banks expected to report third quarter earnings decline

REUTERS, *New York*

The biggest US banks are expected to kick off the earnings season on a sour note next week due to falling interest rates, which may have pressured net interest margins enough to cause the sector's first year-over-year earnings per share decline in three years.

While strength in mortgage banking and cheap valuations could provide support to the S&P 500 bank index, its performance depends on what reassurance executives provide on credit conditions, the outlook for loan growth and their ability to reduce deposit costs during their conference calls.

Tuesday brings third quarter profit reports from Citigroup Inc, Wells Fargo and Co, JPMorgan Chase & Co, and Goldman Sachs. Bank of America reports on Wednesday.

The biggest US banks will report a 1.2 percent decline in third-quarter earnings, while revenue is seen rising 0.9 percent, according to data aggregated by Refinitiv analyst David Aurelio. This would be the first profit decline since the same quarter in 2016, according to data from Factset.

"Overall it's shaping up to be a pretty challenging quarter because of the net interest rate environment," said Fred Cannon, director of research for Keefe, Bruyette & Woods in New York, citing the flattening and temporary inversion of the US Treasury 2-year/10-year yield curve during the quarter.

Bank profits depend heavily on net interest income, or the difference between the rate they charge for long-term loans and the rate they pay for short-term borrowing.

Executives from Citi, Wells Fargo and JPMorgan all cut their full-year forecasts for net interest income last month, citing macroeconomic concerns.

Part of the problem is US Federal Reserve interest rate cuts in July and September. And futures traders are betting on more Fed rate cuts going forward, including one in October.

As a result, bank investors will listen for executive reassurance on the net interest margin outlook and their ability to mitigate weakness, said Manulife Investment Management's Lisa Welch, who manages the John Hancock Regional Bank Fund.

One offset to lower lending profits would be a reduction in interest rates banks pay their customers for deposits, as those rates rose while the Fed was hiking interest rates.

"There's going to be a lot of questions on how fast banks are able to bring down their deposit costs as loan yields are coming down," said Welch, adding that she does not expect deposit costs "to come down as quickly as loan yields have fallen."

Mortgages may be another silver lining to lower rates in third-quarter numbers and future quarters as borrowers avail of cheaper rates. Refinancing, which accounts for most mortgage applications, has more than doubled from a year ago, according to Mortgage Bankers Association data released on Wednesday.

"With rates being lower, we think mortgage activity will be very strong," said Welch, pointing to First Horizon as one bank that could benefit from mortgage demand.

Bank of America and Wells Fargo should also benefit, according to KBW's Cannon. To cope with rising demand, Wells Fargo is boosting its mortgage team, according to a memo seen by Reuters this week.

But investors will also be on high alert for signs slowing US economic growth is hurting debt repayments, said Mike Cronin, investment manager at Aberdeen Standard Investments.

"Given that we've had some economic data that's been a little weaker is there any trend in credit costs that raises concerns going into 2020?" said Cronin.

REUTERS

Traders work on the floor at the New York Stock Exchange.

US SEC halts Telegram's $1.7b digital token offering

REUTERS, *New York*

US authorities said on Friday they have halted a \$1.7 billion unregistered digital token offering by the messaging service Telegram Group Inc and its TON Issuer subsidiary.

The Securities and Exchange Commission said it had received a temporary restraining order against the two offshore entities, which the regulator said had failed to register to sell 2.9 billion digital tokens called "Grams" to initial investors globally, including 1 billion to US buyers. The move marks the latest effort by the agency to crack down on the fledgling cryptocurrency industry.

The SEC has taken the position that initial coin offerings are securities offerings and therefore subject to SEC offering rules, which require firms to file registration and disclosure documents.

"Our emergency action today is intended to prevent Telegram from flooding the US markets with digital tokens that we allege were unlawfully sold," Stephanie Avakian, co-director of the SEC's Division of Enforcement, said in a statement. Telegram promised to give the coins to buyers when it launched its blockchain by Oct. 31, when the purchasers and the company would be able to sell them into US markets, the SEC said.

Citi pays $30m fine to settle real-estate violations

REUTERS, *Washington*

Citibank has agreed to pay a \$30 million (23.7 million pounds) fine to settle charges of repeated violations of real estate holding rules and for failing to meet its commitment to take corrective actions, the U.S. Office of the Comptroller of the Currency (OCC) said on Friday.

Federal law limits the time a national bank may hold foreclosed and "other real estate owned" (OREO) assets.

In 2015, Citi said it lacked adequate processes to effectively monitor the holding period, and committed to developing and taking corrective actions, but it did not do so, the OCC said. As a result, between 2017 and 2019, the bank committed over 200 violations in South Dakota related to the statutory holding period for OREO assets.

On Friday, a Citi spokesman said the bank did not meet the holding requirement in some instances, but customers were not affected.

"Since identifying the issue, we have strengthened controls, processes and procedures to ensure the timely disposition of these assets," the Citi spokesman said.

Property investors turn to SE Asia amid Hong Kong unrest

AFP, *Kuala Lumpur*

From luxury Singapore apartments to Malaysian seafront condos, Hong Kong investors are shifting cash into Southeast Asian property, demoralised by increasingly violent protests as well as the China-US trade war.

Millions have taken to the streets during four months of pro-democracy demonstrations in the southern Chinese city, hammering tourism while also forcing businesses to lay off staff -- and the property sector is feeling the pain.

Property stocks in one of the world's most expensive housing markets have plummeted since June, with developers being forced to offer discounts on new projects and cutting office rents.

Hong Kong businessman Peter Ng bought a condominium on the Malaysian island of Penang -- which has a substantial ethnic Chinese population and is popular among Hong Kongers -- after the protests erupted.

"The instability was a catalyst for me," the 48-year-old stock market and property investor told AFP, adding he was worried about long-term damage to the Hong Kong economy if the unrest persists.

"Investors will always look at things like that, political stability."

And Derek Lee, a Hong Kong businessman who owns a Penang apartment, said he knew others in the semi-autonomous city who were considering investing in Southeast Asian property because of the unrest.

"People are thinking about how to quicken their ideas, how to make a more stable life," the 55-year-old told AFP. Adding to the allure of Malaysia is its relative affordability and prices much lower than Hong Kong.

The Malaysia site of Southeast Asian real estate platform Property Guru has seen a 35 percent increase in visits from Hong Kong, according to its CEO Hari Krishnan.

While Hong Kong's protests are primarily pushing for greater democratic freedoms and police accountability, the summer of rage has been fuelled by years of simmering anger towards Beijing and the local government over falling living standards and the high costs of living.

Hong Kong's property market is one of least affordable in the world with sky-high prices fuelled, in part, by wealthy mainlanders snapping up investments in a city which has failed for years to build enough flats to meet demand.

But now mainland Chinese, who traditionally viewed property in Hong Kong as a safe investment, are opting for rival financial hub Singapore as a result of the protests and the US-China trade war, according to observers.

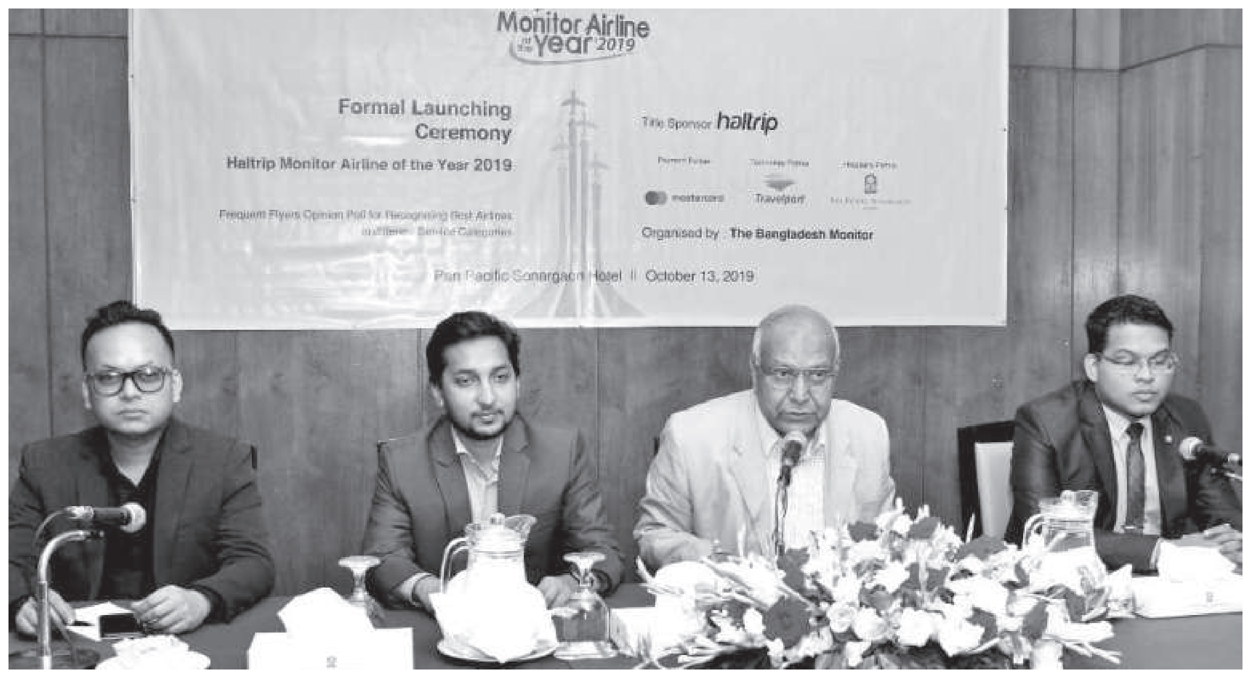
There has been a jump this year in sales of luxury apartments in the city-state -- which like Hong Kong is known for pricey property -- driven partially by mainland Chinese buyers, according to the consultancy OrangeTee & Tie.

"The protests in Hong Kong have made some of the (mainland Chinese) based there... (more concerned) about investing in Hong Kong real estate, so they carry that investment to Singapore," said Alan Cheong, executive director of the research and consultancy team at Savills.

As well as hitting China's economy, trade tensions may have discouraged some Chinese from investing in the West and pushed them towards Singapore, with its mostly ethnic Chinese population.

REUTERS/FILE

Office buildings are seen at the financial district in Hong Kong.



TRIUNE GROUP

Kazi Wahidul Alam, editor of The Bangladesh Monitor, speaks at the launch of "Haltrip-Monitor Airline of the Year 2019", an opinion poll of the frequent flyers, at a hotel in Dhaka yesterday. The travel fortnightly is conducting the opinion poll to recognise the airlines operating in Bangladesh for their services.

India may restrict imports of palm oil from Malaysia

REUTERS, *New Delhi/Mumbai*

India is considering restricting imports of some products from Malaysia including palm oil, according to government and industry sources, in reaction to the Southeast Asian country's leader criticizing New Delhi for its actions in Kashmir.

India is looking for ways to limit palm oil imports and may place restrictions on other goods from the country, said a government source and an industry source who participated in discussions led by the Ministry of Commerce and Industry on the planned restrictions.

The sources asked not to be named as the proposal was still under discussion.

India's government was angered after Malaysian Prime Minister Mahathir Mohamad said last month at the United Nations that India had "invaded and occupied" Jammu and Kashmir and asked New Delhi to work with Pakistan to resolve the issue.

Muslim-majority Kashmir is divided between India and Pakistan, which both claim it in full and have twice gone to war over the territory. India revoked the special constitutional status of its portion of Kashmir in August, angering Pakistan.

The government wants to send a strong signal of its displeasure to Malaysian authorities, the sources said. India, the world's biggest importer of edible oils, is planning to substitute Malaysian palm oil with supplies of edible oils from countries such as Indonesia, Argentina and Ukraine, said the sources.

Palm oil accounts for nearly two-thirds of India's total edible oil imports. India buys more than 9 million tonnes of palm oil annually, mainly from Indonesia and Malaysia.

In the first nine months of 2019 India was the biggest buyer of Malaysian palm oil, taking 3.9 million tonnes, according to data compiled by the Malaysian Palm Oil Board.

A spokeswoman for India's commerce ministry said the ministry could not comment on things that were under consideration.

Malaysia's prime minister on Friday said he had not received "anything official" from India, after Reuters first reported that India was mulling restricting imports of Malaysian palm oil and other products.

BASIS recognises ICT icons

FROM PAGE B1

The 29 champions have also been selected along with seven other projects to take part in the annual Asia Pacific ICT Alliance Awards (APICTA Awards), which will be held at Ha Long Bay in Vietnam next month.

This is the third national ICT award from BASIS. They gave away 42 awards in 2017 and 76 awards in 2018.

This year, the association received 1,175 applications and 225 of them got the opportunities to present their projects for the event.

BASIS President Syed Almas Kabir said the association is recognising the innovative and prospective ICT projects of Bangladesh.

"Through a robust judging process, the best projects have been selected for award."

Of the awardees, Analyzen Bangladesh Ltd, a local software firm, became champion in three categories -- finance and accounting business solutions, marketing business solutions and digital marketing/advertising segments.

This is thrilling that more than 1,000 participants contested in the event, the information minister said. "The winners will bring glory for Bangladesh in the upcoming APICTA Awards."

Digitalisation is taking place in every area of public administration as part of an initiative of the government, the state minister for public administration said.

Stocks slump for fifth day

FROM PAGE B1

Last month, with a view to boosting the ailing stock market the central bank widened the scope for banks to invest in the stock market by offering loans through repo.

A merchant banker said investor confidence was hit by the liquidation of People's Leasing too.

On the other hand, the government announced some other non-bank financial institutions are also on the verge of liquidation.

A top official of the Bangladesh Securities and Exchange Commission (BSEC) said they can provide policy support but cannot force people or institutions to invest in stocks.

"In the last few months we have provided many policy support along with the central bank. Even after that, stocks are falling. What can we do now?"

Yesterday, turnover, another important indicator of the DSE, plunged 9.03 percent to Tk 298.19 crore.

National Tubes topped the turnover chart with its transaction of Tk 25.23 crore, followed by Wata Chemicals, Bangladesh Submarine Cable, Monno Jute Stafflers and Bangladesh Shipping Corporation.

Of the traded issues, 41 advanced, 267 dropped and 37 remained the same.

Chittagong stocks also fell, with the bourse's benchmark index, CSCX, declining 86.13 points, or 0.96 percent, to finish the day at 8,814.43.

Losers beat gainers as 181 declined and 30 advanced, while 25 finished unchanged on the Chittagong Stock Exchange. The port city bourse traded shares and mutual fund units worth Tk 14.33 crore.

Tax collection off to a slow start

FROM PAGE B1

The NBR would be given increased manpower to collect the increased amount of revenue.

"Many affluent people do not pay the amount of tax they should. But they spend a lot on shopping abroad. If they pay their tax properly the economy will get a lot of tax revenue," the minister said.

He went on to ask the taxmen to show zero tolerance in ensuring compliance.

"I have come with great hopes -- do not let me down," Kamal added.

At the meeting, NBR Chairman Md Mosharraf Hossain Bhuiyan said the revenue collection was down in the first two months in the last fiscal year.

In comparison to that, the collection was higher this year, he said, adding that long Eid holidays were one of the main factors for the lower collections in August.

He went on to assure that collections would increase in the coming months.

Japan firms see 'Abenomics' sputtering, tax hike hurting economy

REUTERS, *Tokyo*

Japanese companies overwhelmingly think the nation's longest postwar expansion is peaking, with two-thirds expecting a tax hike imposed this month by Prime Minister Shinzo Abe to hurt the economy, a Reuters poll showed on Friday.

Almost all the firms in the monthly Reuters Corporate Survey said the world's third-biggest economy will level off or fall into recession in coming months, which would mark an end to the "Abenomics" expansion that the premier launched in late 2012.

And while most of the firms still don't want the Bank of Japan to increase its stimulus, that opposition has weakened sharply over the past quarter as the U.S.-China trade war has clouded prospects for global growth and export-reliant Japan.

Abe says the increase in the national sales tax, which he had twice delayed, is crucial to reining in the industrial world's heaviest debt burden - more than twice Japan's annual $5 trillion output. But the higher levy could cool consumer spending, triggering a recession, analysts fear.

The Reuters survey found 69 percent of firms expect the tax hike to weigh on growth, 26 percent see no impact and 5 percent think it could boost the economy.

"The tax hike will hurt consumer sentiment considerably, which will exert an unpredictable impact on the Japanese economy," a manager at a food-processing company wrote in the survey.

Some 58 percent expect the economy to level off heading into next year, while 41 percent predict a recession, the survey found. Just 1 percent see the economy growing after the tax increase.

Economists in a Reuters poll last month forecast the economy will grow 0.8 percent in the fiscal year to March, up from the 0.5 percent predicted a month earlier.

"A combination of a post-tax hike decline in demand and a sputtering global economy will clearly exert downward pressure on Japan's economy," said Yoshimasa Maruyama, chief economist at SMBC Nikko Securities.

REUTERS/FILE

A man chooses goods underneath banners notifying the rise in the national sales tax at a store in Tokyo.

He forecasts a recession for Japan, with the economy contracting for the two quarters through March. Companies in the Reuters survey that expected a recession largely think it will last at least a year, with a quarter expecting it to hit bottom late next year and 56 percent seeing the slump dragging into 2021 or beyond.

Japan's coincident economic indicator fell in August, the Cabinet Office said this week, downgrading its assessment of the key gauge to "worsening," which can presage a recession. Last month the office maintained its overall assessment that the economy continues to recover moderately.

The Reuters Corporate Survey, conducted Sept. 26-Oct. 7 for Reuters by Nikkei Research, canvassed 504 big and midsize nonfinancial companies, of which 230-240 firms responded to the various questions, on condition of anonymity.

As the economic outlook clouds, opposition to further easing from the central bank is waning, the survey found.

Haruhiko Kuroda, installed by Abe as BOJ governor six and a half years ago to spur growth and end decades of deflation, has driven the most aggressive asset purchases among major central banks, pushing some interest rates below zero.

But while Kuroda vowed to stoke inflation to 2 percent in two years, the BOJ has generated price rises of less than half of that, while ultra-low interest rates are hurting banks by crimping lending margins.

Bangladesh second in South Asia in GDP growth: WB

FROM PAGE B1

In the Maldives, growth is expected to reach 5.2 percent in 2019 while it is projected to average 6.5 percent in Nepal over this and the next fiscal year. Afghanistan is expected to recover and reach 3 percent in 2020 and 3.5 percent in 2021.

In line with a global downward trend, growth in South Asia is projected to slow to 5.9 percent in 2019, down 1.1 percentage points from April 2019 estimates, casting uncertainty about a rebound in the short term.

The report finds that strong domestic demand, which propped high growth in the past, has weakened, driving a slowdown across the region.

"Declining industrial production and imports, as well as tensions in the financial markets reveal a sharp economic slowdown in South Asia," said Hartwig Schafer, vice-president of the World Bank for South Asia, in a statement.

As global and domestic uncertainties cloud the region's economic outlook, South Asian countries should pursue stimulating economic policies to boost private consumption and beef up investments, he added.

In a focus section, the report highlights how—as their economies become more sophisticated—South Asian countries have made decentralisation a priority to improve the delivery of public services.

With multiple initiatives underway across the region to shift more political and fiscal responsibilities to local governments, the report warns, however, that decentralisation efforts in South Asia have so far yielded mixed results. For decentralisation to work, central authorities should wield incentives and exercise quality control to encourage innovation and accountability at the local level.

Rather than a mere reshuffling of power, the report calls for more complementary roles across tiers of government, in which national authorities remain proactive in empowering local governments for better service delivery.

Decentralisation in South Asia has yet to deliver on its promises and, if not properly managed, can degenerate into fragmentation, said Hans Timmer, chief economist of the WB for South Asia.

"To make decentralisation work for their citizens, we encourage South Asian central governments to allocate their resources judiciously, create incentives to help local communities compete in integrated markets and provide equal opportunities to their people."

Massive cuts in short code tariffs

FROM PAGE B1

"A good number of government and commercial entities have already introduced the short code system, which has taken government services to the door steps of the citizens," said Md Jahurul Haque, chairman of the telecom regulatory body.

There are commercial short codes and almost all of them started with 16XXX, which is much higher priced compared to the government ones.

Mobile operators said they are now bound to send a large number of call minutes and crores of texts for free daily on behalf of the government.

"This is a commercial issue and it should be negotiated bilaterally," said SM Farhad, secretary general of the Association of Mobile Telecom Operators of Bangladesh.

Farhad said they have already communicated with the BTRC and is hopeful that they will consider it.

It is to be noted that mobile operators are already providing several free voice services to government agencies such as fire service, 999 and so on and that comes with huge costs, he added.

Earlier in August 2018, the BTRC increased the minimum charge to Tk 0.45 per minute from Tk 0.25 per minute, which has increased customers' costs too.

Union leaders urge Sanofi to stay

FROM PAGE B1

Some social activities dependent on the corporate social responsibility programmes of Sanofi will have to be discontinued if it exits, he said.

Expressing solidarity with the Sanofi employees, Kutubuddin Ahmed, secretary general of the IndustriAll Global Union – Bangladesh Council, said it is damaging that the Sanofi is leaving the country at a time when Bangladesh has been on development trajectory.

Ruhul Amin, president of the IndustriAll Bangladesh Council, suggested Sanofi pay compensation, salary and allowances to every employee fixing the age of workers at 60 years.

He blamed a top official for the potential departure of Sanofi.

Razekuzzaman Ratan, general secretary of the Samajtantrik Sramik Front, said owners usually shut down factories for labour unrest.

But, Sanofi is different as the owners have been planning to shut down the company despite making profits since its inception in the country.

Sanofi has opened its business in Bangladesh following some rules and if it wants to depart, it will have to follow some rules of the country, he said.

Sanofi has been making profits for years with the help of the workers but is now planning to close the operations rendering them unemployed, Ratan said, suggesting that the government seize all the assets of Sanofi if it leaves the country.

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BYTES

The Daily Star
DHAKA, MONDAY, OCTOBER 14, 2019, *ASHWIN 29, 1426 BS*
e-mail: bytes@thedailystar.net

HANDS-ON REVIEW

A week with the new Oppo A9 2020

Oppo's been churning out quite a few good smartphones as of late and the new Oppo A9 2020 is no exception. While the triple rear camera setup and the dazzling back plate make some delectable statements out of the box, would that be the A9 2020's only claim in the "budget-premium" category or does the device have more to offer than its predecessors and competitors?

BUILD

The back of the phone has the same eye-catching colour tricks you'd find on other Chinese smartphones, but unlike most of these finishes, the space purple finish is subtle and the shimmering is kept to a minimum. While the back is made of plastic, Corning Gorilla Glass 3+ covers the LCD display. The display was bright and better than what you'd find on lower tier smartphones. Adaptive brightness settings were responsive too, adjusting the screen's brightness to the lighting conditions of your surroundings. Oppo claims that the phone has an 89% screen-to-body-ratio and looking at the chin on the bottom of the screen and the teardrop/waterdrop selfie camera, I think that about checks out. My biggest gripe with the design of the phone would have to be the positioning of the volume buttons and the power button. While I understand why the power button is placed in the middle of the phone, since no one would want to reach high with their thumbs, and therefore, having it in the middle makes it easier; placing the volume buttons on the same position on the other side has led to many unintentional screenshots with this phone. Having the volume rockers placed a tad bit higher on the other end would have solved the problem. Moving over to the back of the phone we have the neatly organized cameras and the fingerprint sensor, the latter not being as satisfactory as I would've liked it to be. The fingerprint sensor, despite being responsive most of the time still struggled whenever it thought it was dirty and it registered my fingers as grimy, when neither of which were the case. It was fast and functional when it did work. The cameras however did feel as advertised.

VERDICT

The Oppo A9 2020 is a solid device and perhaps a strong contender in the sub 30,000/- category. Great battery life, reliable performance, the phone has all the basics covered. If you're looking for a bang for your buck kind of device, then this could be the device for you, if of course you're willing to adapt to the minor hiccups that come with "budget premium" devices of this sort.

CAMERA

The phone features a primary 48MP lens, 8MP wide angle lens, 2MP mono lens and 2MP portrait lens, and so naturally, pictures taken in natural light have a pronounced sense of depth and clarity to them. The camera app has the same cookie-cutter interface you'd find on last year's Oppo devices, portrait mode, beauty mode, expert mode but the addition of a wide angle lens now let's you capture wide angle selfies and pictures. The portrait mode, while nowhere near the top flagships, is serviceable and works well on tiny objects and such.
While the colour grading and sharpness of pictures all have a touch of AI beautification to them, it doesn't go overboard with corrections like we saw with some of the Chinese AIs from last year or the year before. And while, most of the camera did perform as advertised, I was disappointed with night mode. Despite not going in with any expectations (given the fact that the phone isn't a flagship) I still felt like I should have been getting more light out of the pictures, instead it was the same grainy pictures you'd find on phones without night mode.

PERFORMANCE

At the heart of this phone is a Snapdragon 665 processor, Adreno 610 GPU and yes it can run PUBG and other demanding games. While PUBG defaults to medium settings on the device, it ran smoothly and the phone was cool to the touch. The battery had drained about 8 to 9 percent during an hour long game. The phone remained lag free, fluid and functional for almost all the time, except for the one time when it hanged on the camera app for a solid minute.
Aside from nit-picking, the A9 2020 has been a really smooth operator with virtually no performance hiccup on any app. Split screen viewing also pairs really well with the gigantic 6.5 inch display.

BATTERY

The A9 2020 comes with a 5000 mAh battery and that's not just a buzzword to get you to throw money at it, this phone lasts. Like over 24 hours in my case with standard usage for 15 of those hours. I'm also glad that it features a USB-C port and not micro USB, meaning that the phone charged fast too.
To be frank, I did not expect the battery life to be as good as it was but I was pleasantly surprised when I would come back home after a full day to only find that the A9 2020 had only lost about 20% charge. If you're looking for a phone in this price range with a good battery, then this phone is a strong recommendation from yours truly.

SPECS

Processor: Snapdragon 665
OS: Color OS 6.0.1, Android 9
GPU: Adreno 610
Rear Camera: 48M (f/1.8) + 8M (f/2.25) + 2M (f/2.4) + 2M (f/2.4)
Front Camera: 16-megapixel (f/2.0)
Display: 6.5-inch IPS LCD, 1600x720 pixels
Memory: 8GB RAM
Storage: 128GB internal
Battery: 5000mAH lithium-ion
Price: BDT 24,990/-

WORDS: ASIF AYON
PHOTOS: ORCHID CHANGMA

FIFA 20 – finally delivering on the 'simulation" promise?

Of all of Electronic Arts' cash grab games (just being honest), FIFA is probably the only game that is seemingly untouchable and beyond reproach by fans and onlookers alike. With very little else on offer in terms of licensed footballing fun in video game format, FIFA's yearly releases are followed by a frenzied rush as older iterations are discarded like used tissue. FIFA Ultimate Team (FUT) is just as annoying as ever, but none of the people buying the game are complaining about the loot-box structure either. For a money hungry corporate like EA, FIFA is a gift that keeps on giving. So what's the new one like?

For one, it's closer to the tag of "footballing simulation" that has been latched on to FIFA ever since the heady days of the battle for dominance between them and Konami's Pro Evolution Soccer (PES) on the PlayStation 2. Pro Evo was called "arcade-y" and "unrealistic" at the time as reviewers, swayed by the polished, streamlined menus of FIFA, kept pushing EA's product down consumers' throats. Fast forward fifteen years and PES has almost disappeared from collective consciousness while FIFA has increasingly incorporated elements from that "unrealistic" Japanese game and labelled them as innovations (jockeying, tactical defending and timed finishing were all PES features back in the day). However, their inclusion in recent years with specific developments for 20 in areas like defending (game now favours manual control and focuses on interceptions rather than final tackling), passing (passes through semi-crowded areas are more likely to be intercepted) and set-pieces (you can add spin, determine strength and direction of your free-kicks and as penalties) make the game more realistic overall, if not more difficult. With FIFA 20, players are tasked with re-learning these elements, and the slightly increased difficulty makes for a more challenging and ultimately rewarding experience.

The biggest change comes not in granular gameplay dynamics but in an all new game mode: Volta. Volta is FIFA's way of bringing back and incorporating the much adored FIFA Street games, and places a group of street footballers right in the middle of a fairly engaging story mode (albeit with extremely annoying, obnoxious characters) while adding locations and gameplay to the Kick Off mode for some instant multiplayer fun. Volta is a fluid, fun experience that takes you beyond the repetitive 11-a-side matches of regulation football to put you in highly creative, extremely stylish and easily binged 3v3, 4v4, 4v4 rush and 5v5 scenarios. Volta adds another aspect of "simulation" gaming that FIFA sorely lacked in the past—similar to how Forza Motorsport makes you want to drive a Ford GT around a racetrack, an hour's worth of back to back Volta matches makes you want to call your mates and head to the futsal pitch.

Overall, FIFA 20 is as polished as ever—the music, the ambience and the general feeling of a licensed product (except for Juventus, who are now called Piemonte Calcio in game due to an exclusive rights deal signed with Pro Evo) makes the game a clear winner. As much of a winner as Manchester City, anyway. Just goes to show that if you throw enough cash at something, you'll win eventually.

SHAER REAZ

The gift of 5000 classic bangla songs

Tired of what's on the radio these days? Do you long for the olden days of Bangla music? Then this is the Bluetooth speaker you have been waiting for. The Saregama Carvaan 6 resembles a relic you'd find in your father's collection of old pictures and tapes, the unit is a thing of beauty. But what it offers is something that's hard to come by, a full 5000 song collection of classic Bangla songs from artists like Lata Mangeshkar, R. D. Burman, Bhupen Hazarika, Manna Dey and others. It even comes with a separate button on the front for mood selection and also Tagore, a playlist of classic Rabindra Sangeet songs.
The side panel lets you choose between Saregama, FM, Bluetooth and USB meaning that you can listen to your own choice of songs too. The other side has a volume slider while the front houses buttons labelled artiste, mood and of course Tagore. There's a big round knob on the middle of the device which you can use to sift through songs, moods and radio channels. There's an LCD display on the front, indicating battery life and the song that's playing.

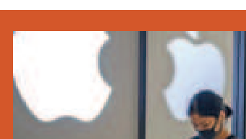
Strangely enough, the sound itself is truly unlike modern bass heavy Bluetooth speakers so it makes listening to the pre-existing 5000 song playlist feel like a back to the past kind of scenario. There is a lot more emphasis on the mids with a kind of crackle to accompany it. I cannot however recommend this speaker for people who just want a standard Bluetooth speaker but for anyone who wants to relive the classics, this is a must buy. The speaker is available in India for approximately Rs. 6,500/- (Rupees) and also in Bangladesh at Fahim Music for BDT. 16,000/-. Saregama also has a mini Bluetooth speaker and speakers preloaded with other playlists, such as, Hindi classics, exclusively Tagore, etc.

WORDS: ASIF AYON
PHOTOS: ORCHID CHANGMA

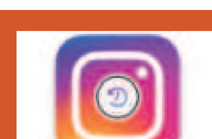
TECH BITS

Twitter comes back to the Mac on the new Mac OS Catalina

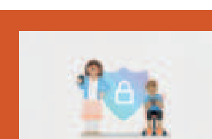
China attacks Apple for allowing Hong Kong crowdsourced police activity app HKmaps



Instagram launches Create mode with On This Day throwbacks



Microsoft has added a per-app time limit option to its parental controls feature



Autonomous trucking startup Einride eyes US market with $25 million in new funding