EASTERN BANK

**M Khorshed Anowar, head of retail and SME banking at Eastern Bank, hands over the dummy keys of a motorcycle to a customer, who purchased a Runner-branded bike with the help of the bank's "Two Wheeler Loan" product. The event took place in Dhaka on Sunday.**

# Gold eyes further gains as rock-bottom rates tempt investors

REUTERS, *Bengaluru*

Fragile global growth and the prospect of interest rates staying lower for longer, boosting gold's appeal for nervous investors, are behind upward revisions to price forecasts for the yellow metal, a Reuters survey showed.

Spot gold will average $1,402 an ounce in 2019 and $1,537 an ounce next year, according to the median forecasts returned by the poll of 40 analysts and traders in mid-October.

Those numbers are sharply higher than predictions of $1,351 for 2019 and $1,433 for 2020 returned by a similar poll conducted three months ago. Gold has averaged around $1,375 an ounce so far this year.

Gold - traditionally seen as a safe place to invest in uncertain times - hit a more than six-year high of $1,557 in September and with gains of about 17 percent so far is set for its biggest yearly gain since 2010.

"Rate cuts by major central banks, a deteriorating global economic outlook and elevated geopolitical tensions are the key tailwinds for gold prices," ANZ analyst Daniel Hynes said.

A US-China trade war has sent a shiver through the global economy.

The US Federal Reserve has meanwhile cut interest rates twice this year to stimulate growth, and other major central banks have followed suit.

Lower rates reduce the opportunity cost of holding non-yielding bullion, making it more attractive to investors.

Central banks have also steadily increased their gold reserves and private cash has flooded into gold-backed exchange traded funds (ETFs), boosting physical demand.

"If central banks and exchange-traded funds keep on buying and the Fed continues with lowering interest rates, we will talk about prices of $1,600 in the near future," said LBBW analyst Frank Schallenberger.

For silver, poll respondents forecast average prices of $16.24 an ounce this year and $18.13 in 2020, up from predictions of $15.50 and $16.85 three months ago. In the year to date it has averaged $15.97 an ounce.

Silver will remain cheap relative to gold, with the gold/silver ratio averaging 86 in 2019 and 85 in 2020, not far from a more than two-decade high just above 93 reached in July.

# Britain to 'strain every sinew' to help financial sector after Brexit

REUTERS, *London*

Britain will do whatever it can to ensure that its financial sector remains a major global player after Brexit, financial services minister John Glen said on Monday.

"This government absolutely believes in the City," Glen told a conference in London, adding that revenues from finance were key to Britain's ability to fund healthcare, police and regional development. "We will strain every sinew to help you flourish."

Financial firms in Britain lose unfettered direct access to investors in the bloc after Brexit and will instead have to rely on the EU's system of equivalence.

Under this system, Brussels grants market access if it deems that a foreign financial firm's home rules are strict enough to ensure that EU customers are well protected.

Glen said that Britain stood ready to start negotiating equivalence in key areas with the EU as soon as Brexit has happened - although when that will be remains unknown.

The EU on Monday agreed a 3-month flexible delay to Britain's departure, until Jan. 31, after Prime Minister Boris Johnson was driven to request a postponement due to lawmakers rejecting the sequence of the ratification of the divorce deal agreed with Brussels.

If Britain leaves the bloc with a deal, it would have a transition period until the end of 2020, meaning business as usual for the banks.

Britain has said it does not want to be a permanent "taker" of EU rules to maintain EU financial market access and Glen said the issue was how to find a more "enduring mechanism" that recognizes that changes in rules can occur on both sides.

"We have got to weigh the issue up very carefully," Glen said, adding it was difficult to know "where it would land" until equivalence negotiations with Brussels started.

"It will be a carefully designed position that we adopt," Glen added.

Britain needs to be able to set its own rules and Glen hinted that some of the EU's capital rules for insurers could be amended, given what he called "pressure" in Britain for changes.

"We need an agile and responsive regulatory approach," Glen said.

Britain sees Brexit as making it possible to negotiating its own trade deals with other countries, and China's ambassador to Britain, Liu Xiaoming, told the conference that Britain and China were already building foundations for strong future cooperation in financial services.

"Britain is at a crucial stage of Brexit, but I am confident the UK will not lose its strength in financial services easily and London will retain its status as an international financial center," he said.

Fintech could be a key bridge to deeper China-UK cooperation in financial services, he said.

Financial services are more dependent than any other economic sector on being able to hire highly-skilled staff from across the world and Britain would introduce a post-Brexit immigration system that supported competitiveness, Glen said.

Banks, insurers and asset managers in Britain have opened over 300 hubs in the EU to deal with whatever form Brexit takes.


REUTERS/FILE

**Shoppers are reflected in a window as they carry bags along Oxford street in London.**


SMMAB

**Munawar Misbah Moin, president of the Solar Module Manufacturers' Association of Bangladesh, and Golam Baki Masud, general secretary, attend a press conference at National Press Club in Dhaka on Sunday demanding 30 percent quota for local manufacturers in government solar projects.**

# LVMH confirms interest in acquiring luxury jeweller Tiffany

REUTERS, *Paris*

LVMH, the world's biggest luxury group, said on Monday it had approached Tiffany & Co about a possible takeover of the US jeweller.

"In light of recent market rumours, LVMH Group confirms it has held preliminary discussions regarding a possible transaction with Tiffany," the company said in a statement. "There can be no assurance that these discussions will result in any agreement."

One source familiar with the matter said LVMH, which owns the Louis Vuitton and Bulgari brands among others, had proposed a bid valuing Tiffany at about $120 per share. That would be equivalent to a $14.5 billion acquisition offer - which would make it the acquisitive French group's biggest purchase to date.

That would be a sharp premium to Tiffany's current share price, which closed at $98.55 on Friday.

Cash-rich LVMH did not give any financial details.

Another source familiar with the situation, said the French group had submitted a preliminary, non-binding offer to Tiffany earlier this month.

LVMH shares were up 1 percent in early trading, touching highs last seen in July.

"LVMH has ample financial capacity for a deal and we also expect many strategic and financial synergies," analysts at Cowen said in a note.

Tiffany - which according to the sources has hired advisers to review LVMH's offer but has yet to respond, and may not negotiate a deal - has been caught out by the US-China trade war as Chinese tourists spend less in US shopping hubs.

# Google results to share stage with US antitrust probe

REUTERS, *San Francisco/Washington*

Beyond fresh insights into Alphabet Inc's quarterly earnings on Monday, financial analysts could press executives for details on the US antitrust probe by 48 states.

They should expect a common refrain during the company conference call: it's deja vu all over again.

Late this summer Texas announced it was leading a group of 48 state attorneys general to probe allegations of anticompetitive practices by Google, largely around its lucrative online advertising business.

Google maintains that the same players were involved in similar investigations, but to no avail. And the Federal Trade Commission settled its own two-year antitrust probe in 2013, concluding it has not manipulated search results to hurt rivals here

"We have answered many questions on these issues over many years, in the United States as well as overseas, across many aspects of our business, so this is not new for us," Google said in a recent blog post on the topic.

That is not stopping states from taking advantage of new political momentum from both sides of the aisle to go after Silicon Valley's giants, including Google.

Missouri, for instance, is folding its two-year old investigation into the new Texas-led probe. The hope is that with more AGs, "there's a lot more firepower," said Chris Nuelle, a Missouri AG spokesman.

Ryan Bangert, who is leading Texas Attorney General Ken Paxton's Google probe, is a veteran of the Missouri investigation where he spent nearly two years overseeing it.

Texas is leading the current effort as part of an agreement to put a Democrat in charge of an investigation into Facebook and a Republican at the helm of the Google effort, according to sources familiar with the discussions. New York's Democratic Attorney General Letitia James is leading the multi-state Facebook probe.

Alphabet is expected to report quarterly revenue at or above its usual 20% mark after the closing bell of trading on Monday, with newer businesses such as YouTube and cloud computing driving growth.

But the company offers limited product-level financial disclosures, which has left investors increasingly perplexed about how various pressures including the regulatory scrutiny, advertiser boycotts and global trade tensions are actually affecting operations.

Some of the previous probes have touched on advertising - the focus of this one - but other issues as well.

In addition to advertising, the FTC's probe involved search bias and "scraping" of content. Missouri looked at the scope of Google's data collection and whether it scraped content from competitors.

Texas' previous inquiry, which began in 2010, focused on Google's specialized search tools for shopping, finance data, local businesses, as well as questions about its advertising businesses. New York, California, Ohio and Oklahoma collaborated with Texas.

The states reviewed data from Facebook, eBay, Expedia, IAC, Microsoft, Yelp, Verizon and smaller companies such as shopping search service Nextag and ad rival Technorati, according to documents obtained by Reuters through a public records request.

Several companies continue to hold the same complaints about Google.

Texas closed this probe in mid-2014, giving Google and companies that had complained about it notice by phone without offering any reason, three people familiar with the matter said.


REUTERS/FILE

**Visitors pass by the logo of Google at the high profile startups and high tech leaders' gathering, Viva Tech, in Paris.**


EXIM BANK

**Mohammed Haider Ali Miah, managing director of Exim Bank, and Md Nazmul Alam, consul at Bangladesh's consulate general in Hong Kong, attend the launch of the bank's subsidiary, Exim Finance, at a Hong Kong hotel recently.**


NRBC BANK

**Lawmaker Mirza Azam and Kazi Md Talha, deputy managing director of NRBC Bank, open the bank's 70th branch at Madarganj in Jamalpur on Sunday.**