



Syed Mahbubur Rahman, CEO of Dhaka Bank, and Sylvana Sinha, founder and CEO of Praava Health Bangladesh, exchange the signed documents of a deal at the bank's corporate office in Dhaka on Sunday initiating online cash management services for the latter.

India firms, farmers applaud Modi move to reject RCEP trade deal

AFP, Mumbai

Indian farmers and businesses Tuesday hailed Prime Minister Narendra Modi's decision to opt out of a sprawling Asian trade pact, with the country's largest dairy producer Amul thanking the premier for "supporting livelihoods".

New Delhi's 11th-hour rejection of the Regional Comprehensive Economic Partnership (RCEP) -- which was meant to account for 30 percent of global GDP and loop in half the world's population -- comes as India battles slowing manufacturing and consumption.

The pact would have increased India's access to other Asian markets, but New Delhi feared its domestic industries would be hit hard if the country was flooded with cheap Made-in-China goods, particularly in key employment sectors such as agriculture and textiles.

In a tweet late Monday, Amul applauded Modi's "exemplary leadership and support" to dairy farmers, who would have been exposed to more competition under the RCEP.

"Your vision of supporting their livelihood will help double their incomes and make India stronger," it said.

Praveen Khandelwal, secretary general of the leading lobby group, Confederation of All India Traders (CAIT), released a statement to AFP warning the deal would have allowed Chinese manufacturers to overwhelm "the Indian market with Made In China products at very low prices... thereby creating a disequilibrium".

B. M. Singh, convenor of the All India Kisan Sangharsh Coordination Committee, said the rejection of the deal was "a huge victory for farmers".

"We should not go for an open agreement like the RCEP simply because we can't compete with



India's Prime Minister Narendra Modi talks to Thailand's Prime Minister Prayut Chan-o-cha at the 3rd Regional Comprehensive Economic Partnership Summit in Bangkok Monday.

other big countries," Singh told AFP.

"It's like throwing someone who is 25 kilograms (55 pounds) into a boxing ring and asking him to compete with an opponent

weighing 100 kilograms. But experts cautioned that New Delhi, which has a long history of protectionism, may lose out as it tries to become a more globally competitive economy.

"In an era in which manufacturing requires the ability to become more -- not less -- integrated into global supply chains, this decision appears for the moment to make it harder to boost manufacturing in India," the Council on Foreign Relations senior fellow Alyssa Ayres wrote.

"The central issue for the Indian government isn't in the wording of a trade deal, but in the competitiveness of the Indian economy," Ayres added in a blog post underlining the need for New Delhi to undertake further reforms to kickstart growth.

India's decision is nevertheless seen as a blow to the deal, which now includes all 10 Association of Southeast Asian Nations states plus China, Japan, South Korea, Australia and New Zealand -- but not the United States.

The remaining members are aiming to sign it next year after reviewing an agreed draft text.

Australia keeps interest rates on hold

AFP, Sydney

Australia's central bank on Tuesday kept interest rates on hold at a record low, with governor Philip Lowe saying the economy was showing signs of life after three cuts this year.

Resource-rich Australia dodged the worst of the financial crisis but recently recorded its weakest annual economic growth in a decade, expanding just 1.4 percent in the year to June.

"After a soft patch in the second half of last year, a gentle turning point appears to have been reached," Lowe said in a statement following the Reserve Bank of Australia's monthly policy meeting.

The country has been battling increasing economic headwinds domestically, including falling employment, low wage growth and high household debt.

It is also feeling the impact of US-China trade tensions, which have rattled the global economy as central banks worldwide attempt to offset economic risks by lowering rates.

Lowe said there were now several positive influencers, including recent tax cuts for low- and middle-income earners, an upswing in house prices in Sydney and Melbourne, and a brighter outlook for the resources sector.

However, there remain concerns over the impact of lower consumer spending, as well as the flow-on effect of a prolonged drought currently gripping much of the east.



Md Nurul Amin, secretary to Planning Division, and Muhammad Alkama Siddiqui, chief executive officer of Public Private Partnership Authority, attend a workshop organised by the authority at NEC Conference Room in Dhaka recently on public private partnership in Bangladesh.



Zaheed Farooque, state minister for water resources, and SM Parvez Tamal, chairman of NRBC Bank, open the bank's 71st branch at Fahim Tower in Barguna on Sunday.

Indonesia economy slows as commodity price slump bites

AFP, Jakarta

Indonesia posted another quarter of slowing growth Tuesday, its weakest pace in two years, as Southeast Asia's biggest economy feels the sting of slumping commodity prices.

The economy expanded 5.02 percent in the July-September period, slipping from 5.17 percent in the same period last year, and the weakest since 2017.

Indonesia is grappling with slumping prices for key commodities such as coal and palm oil, as the global economy falters on the back of an intensifying US-China trade war.

"The global economy is shadowed by uncertainty," said statistics agency head Suharyanto, who goes by one name.

"During the third quarter, prices for

our commodities... have dropped in the international market," he added.

Last month Indonesia's central bank cut interest rates for the fourth month in a row in a bid to pump up the economy.

The sagging growth is a challenge for Indonesian President Joko Widodo, who was re-elected this year largely on his infrastructure-driven bid to energise the economy.

The prospects for a sustained improvement in economic performance depend on whether Joko Widodo can forge ahead with his reform agenda, including pushing through unpopular labour market reforms and big increases in infrastructure spending, research house Capital Economics said in a report.

"We remain unconvinced," it added.



Syed Waseque Md Ali, managing director of First Security Islami Bank Ltd, opens a branch at Dakbandia in Khulna yesterday.

Xi pledges wider market access, free-trade deals

AFP, Shanghai

President Xi Jinping on Tuesday pledged to further open China's economy, declaring the world must "knock down walls" as he opened an annual trade fair against the backdrop of the US tariffs war.

Xi addressed an audience including French President Emmanuel Macron at the import exhibition in Shanghai, staged annually by China to show its willingness to open up its vast domestic markets in the face of criticism that they remain too closed.

The world community must "continue to knock down walls instead of building walls, resolutely oppose protectionism and unilateralism, (and) continuously reduce trade barriers", Xi said.

The speech was light on specifics, however, and thus unlikely to mollify foreign critics who accuse China of a range of protectionist measures and failing to deliver on reform promises.

With China and the United States working to lock in a partial trade deal announced last month, Xi steered clear of their tariff war in his remarks.

It was in stark contrast to his keynote last year at the height of the trade confrontation, when Xi took a swipe at the Trump administration, decrying "protectionism", "isolationism" and "the law of the jungle", while not specifically naming the United States.

Speaking after Xi, Macron complained that the US-China trade war "only creates losers" and was weighing on global growth.

He expressed hope that the world's two largest economies can reach an agreement that also will "preserve the interests" of other trade partners like the European Union.

Without directly naming US President Donald Trump, Macron decried "unilateral action, the use of tariffs as a weapon, (and) survival of the fittest".

But the French leader also said China's market

opening "must be speeded up and made more transparent".

Xi told delegates he hoped a China-backed proposed regional trade deal could be signed soon, a day after it was dealt a blow by India's withdrawal.

At a summit in Bangkok, India expressed concerns that its economy would be flooded by cheap Chinese goods under the Regional Comprehensive Economic Partnership (RCEP).

RCEP was meant to account for 30 percent of global gross domestic product and half the world's people, while notably excluding the United States.

"I hope the agreement will be signed and entered into force at an early date," Xi said.

China would be "happy" to reach free-trade agreements with other countries too,



China's President Xi Jinping waves during the opening ceremony of the China International Import Expo in Shanghai on November 5.