



Mominul Islam, CEO of IPDC Finance; Kedar Lele, CEO of Unilever Bangladesh; Naquib Khan, president of the Bangladesh Supply Chain Management Society, pose with the recipients of the Bangladesh Supply Chain Excellence Awards 2019 organised by IPDC in association with the society at the International Convention City Bashundhara in Dhaka on November 28.

South Korean exports plunge in November

REUTERS, Seoul

South Korean exports in November fell for the 12th month in a row and far more than expected, denting hopes for the global manufacturing sector stabilising as a much-awaited China-US trade deal is still in darkness.

Exports declined 14.3 percent in November from a year earlier, trade ministry data showed on Sunday, far below a median 10.2 percent fall tipped in a Reuters poll and missing even the worst forecast in the survey of an 11.1 percent loss.

It was also the second-worst drop in overseas sales in nearly four years as global semiconductor prices failed to turn around while China, the country's biggest export market, continued to cut down purchases from its smaller neighbour.

The surprisingly weak November data from a manufacturing powerhouse, which reports monthly trade data ahead of major exporting nations each month, underscores the global economy still far from a turning point.

"The optimism for the first-phase trade deal between the United States and China

will take time before actually boosting exports, and today's poor data means the turnaround in exports is taking longer than expected," said Chun Kyu-yeon, economist at Hana Financial Investment.

Shipments to China fell 12.2 percent in November from a year earlier, while overseas sales of semiconductors, South Korea's top export item, tumbled by 30.8 percent in value as prices plunged this year from a super-rally last year.

Imports fell 13.0 percent on-year in November, also missing an 11.9 percent contraction tipped in the survey. That brought the November trade balance to a \$3.37 billion surplus, versus a \$5.34 billion surplus a month earlier.

Sunday's data left shipments for the first 11 months of this year 10.7 percent below a year earlier, putting the country on track for its worst annual exports performance since a 13.9 percent fall in 2009 during the height of a global financial crisis.

South Korea's economy, the fourth-largest in Asia and heavily dependent on exports, has been hit especially hard by cooling global trade and a prolonged tariff war between China and the United States.

India plans to invest \$1.39tr in infrastructure to spur economy

REUTERS, New Delhi

India will unveil a series of infrastructure projects this month as part of a plan to invest 100 trillion rupees (\$1.39 trillion) in the sector over the next five years, the finance minister said on Saturday, in a push to improve the country's economy.

Nirmala Sitharaman's comments, as cited in local newspapers, followed data released on Friday that showed India's economic growth slowed to 4.5 percent in the July-September quarter - its weakest pace since 2013 - upping the pressure on Prime Minister Narendra Modi's government to speed reforms.

"A set of officers are looking into the pipeline of projects that can be readied so that once the fund is ready, it could be front-loaded on these projects," Sitharaman said at a business summit in Mumbai, the newspapers reported.

"That task is nearly completed. Before December 15, we will be able to announce frontloading of at least ten projects," she said.

Nissan, Renault, Mitsubishi Motors to form new venture

REUTERS, Tokyo

The Nissan Motor Co, Renault SA and Mitsubishi Motors Corp alliance has agreed to form a new company focused on research and development of advanced automotive technologies, Kyodo News said.

The three companies will announce a concrete plan in January, Kyodo reported on Sunday, citing people familiar with the matter. The new venture also aims to strengthen the alliance, in which relationships have frayed since the arrest and ouster of former supremo Carlos Ghosn, according to the report. Renault, Nissan and Mitsubishi plan to appoint a general secretary to the helm of their partnership to boost cooperation and reboot joint operations.

A new leadership team was installed at Nissan on Sunday, headed by 53-year-old Makoto Uchida, who ran the automaker's China business. Renault is also looking for a new chief executive, with the head of finance, Clotilde Delbos, in charge on an interim basis.

China wants US tariffs rolled back in phase one trade deal

REUTERS, Beijing

Beijing is insisting US tariffs must be rolled back as part of any phase one trade deal with Washington, China's Global Times newspaper said on Sunday citing unnamed sources, amid continued uncertainty on whether the two sides can strike a deal.

"A US pledge to scrap tariffs scheduled for December 15 cannot replace the rollbacks of tariffs," the newspaper said in a tweet, referring to an additional round of tariffs on Chinese imports to be implemented in the absence of a trade deal.

The Global Times is published by the People's Daily, the official newspaper of China's ruling Communist Party.

On Tuesday, US President Donald Trump said Washington was in the "final throes" of a deal aimed at defusing a 16-month trade war with China, a few days after Chinese President Xi Jinping had expressed his desire for a trade agreement. Top trade negotiators for both countries also spoke again and agreed to continue working on the remaining issues.

Trade experts and people close to the White House told Reuters last month, however, that signing of a phase one agreement may not take place until the new year as China pressed for more extensive rollbacks of tariffs. An agreement was initially expected to be completed by the end of November.



REUTERS/FILE

A Chinese woman adjusts a Chinese national flag next to US national flags at the Diaoyutai State Guesthouse in Beijing.

US Senate Finance Committee Chairman Chuck Grassley told reporters on Tuesday that Beijing invited US Trade Representative Robert Lighthizer and Treasury Secretary Steven Mnuchin for in-person talks in Beijing.

Grassley said Lighthizer and Mnuchin were willing to go if they saw "a real chance of getting a final agreement".

A source familiar with the trade talks also told Reuters that US officials could travel to China after Thursday's Thanksgiving holiday in the United States.

Fiat Chrysler and union reach tentative contract deal in US

AFP, New York

Fiat Chrysler and the United Auto Workers union have reached a tentative labor agreement calling for billions in new investments and thousands of new jobs, the UAW announced Saturday.

Fiat Chrysler Automobiles (FCA) is the last of Detroit's three big automakers to reach agreement in principle with the powerful union. Ford and General Motors have already ratified their accords with the union -- GM only after a paralyzing 40-day strike.

The agreement with FCA, which still requires ratification by employees, comes at a delicate time for the union: Two senior officials including President Gary Jones were forced to resign amid an ongoing investigation into corruption.

The corruption allegations are at the heart of a federal lawsuit GM filed earlier this month against Fiat Chrysler. The suit alleged that FCA had bribed union officials to secure an unfair advantage in labor talks and to force it to agree to a merger.

The Italian-American automaker in turn accused GM of attempting to foil its planned merger with French carmaker PSA. FCA and the UAW have not released full details of their tentative agreement, but the union indicated that it generally reflected the deals negotiated with GM and Ford.

"The pattern bargaining strategy has been a very effective approach for the UAW and its members to negotiate economic gains around salary, benefits and job security," UAW Vice President Cindy Estrada said on the UAW website.

She said the accord called for additional investment of \$4.5 billion by FCA, which is expected to lead to the creation of 7,900 jobs.

The deal reportedly includes a \$9,000 bonus for employees, as well as a three percent wage increase in the second and fourth years of the contract.

The heads of UAW local chapters are to meet Wednesday to review the tentative agreement and decide whether to recommend it to members.

If approved, hourly and salary employees would vote on ratification starting Friday, the union said. The vote is expected to take about two weeks.



Md Anwarul Azim (Anar), a lawmaker; Begum Sufia Amjad, a director of SBAC Bank, and Motiur Rahman, a sponsor shareholder, open the lender's 77th branch at Kaliganj in Jhenaidah yesterday.

China will not resort to quantitative easing: central bank chief

REUTERS, Beijing

China's central bank governor Yi Gang said in a signed article published on Sunday that Beijing should maintain "normal" monetary policy as long as possible since economic growth is still within a reasonable range and inflation is mild overall.

China will not resort to quantitative easing even as the monetary policies of the world's major economies are approaching zero interest rates, People's Bank of China Governor Yi Gang wrote in an article published by the leading Communist Party theoretical journal Qiushi.

"We should not let the money held by the Chinese people become worthless... Maintaining positive interest rates and upward-inclined yield curve is generally conducive to the economic entities, and in line with the Chinese people's saving culture, thus beneficial to the sustainable

development of the economy," said Yi.

He reiterated the central bank will continue to implement prudent monetary policy, conduct counter-cyclical adjustments, improve monetary policy transmission and



People's Bank of China Governor Yi Gang

keep liquidity reasonably ample.

China's economic growth slowed to near 30-year lows in the third quarter and industrial profits continued to shrink, and speculation is mounting that Beijing needs to roll out stimulus more quickly and more aggressively, even if it risks adding to a pile of debt.

The exchange rate of China's yuan is decided by supply and demand, we will not play the yuan as a tool and will not resort to competitive devaluation of the yuan, said Yi.

China's central bank will continue to promote reform of the yuan, and maintain its flexibility and keep it basically stable on a reasonably balanced level, the governor said, adding that Beijing will conduct necessary macro-prudential management in the foreign exchange market when needed.

Yi also said China will strengthen the supervision of property financing markets.

West investment needed to keep China at bay

Sri Lanka president warns

AFP, New Delhi

Sri Lanka's new president Gotabaya Rajapaksa has warned India and Western nations that his country will be forced to seek finance from China again if they do not invest in the island.

Rajapaksa told the Hindu newspaper in an interview published Sunday that other Asian nations would also turn to China's giant Belt and Road infrastructure project without alternative help.

Sri Lanka has traditionally been allied to India but became close to China, securing about \$7 billion in loans and investment, when Rajapaksa's brother Mahinda was president from 2005 to 2015.

"I want to tell India, Japan, Singapore and Australia and other countries to also come and invest in us," said the president, who was in India this weekend on his first foreign trip since winning a presidential election on November 16.

"They should tell their companies to invest in Sri Lanka and help us grow, because if they do not, then not only Sri Lanka, but countries all over Asia will have the same (problem).

"The Chinese will take the Belt and Road initiative all over unless other countries provide an alternative." India has been at the forefront of nations wary of Belt and Road, fearing it will reinforce China's military and strategic clout in the Indian Ocean region that New Delhi considers its backyard.

China has allotted hundreds of billions of dollars on the network of ports, railways, roads and industrial parks spanning Asia, Africa, the

Middle East and Europe.

India's foreign and defence ministers held talks with counterparts from Japan on Saturday in a bid to step up military cooperation.

Gotabaya Rajapaksa also confirmed that he wants to renegotiate the agreement with China about the strategic Hambantota port south of Colombo that serves the key shipping lanes between Europe and Asia.

"I believe that the Sri Lankan government must have control of all strategically important projects like Hambantota," he said in the interview.

"The next generation will curse our generation for giving away precious assets otherwise," he said.

Sri Lanka was forced to hand

the port over to China in 2017 on a 99-year lease after the Sri Lankan government was unable to repay loans taken to build it.

India and some Western countries have raised concerns that nations who have taken Chinese loans under the Belt and Road initiative risk falling into a debt trap.

Rajapaksa said he was certain India's government under rightwing Prime Minister Narendra Modi would move past the apprehensions it had over ties between Sri Lanka and China.

"Some of their suspicions were due to our ties with China, but that was a misunderstanding. We had a purely commercial agreement with China," Rajapaksa said.



Sri Lanka's President Gotabaya Rajapaksa and India's Prime Minister Narendra Modi arrive for a joint media briefing at the Hyderabad House in New Delhi on November 29.