

## REHAB fair begins Dec 24

STAR BUSINESS DESK

A five-day REHAB Winter Fair 2019 is set to begin in Dhaka on December 24 to showcase flats, plots and other real estate and housing products.

Organised by the Real Estate and Housing Association of Bangladesh, the fair will house around 230 stalls at Bangabandhu International Conference Center, according to a statement.

SM Rezaul Karim, minister for housing and public works, is scheduled to take part in the inaugural ceremony of the fair as chief guest.

Building materials suppliers and financial institutions will also take part in the fair, the statement added.

## Life insurers' deposits with NBFI curtailed

FROM PAGE B1

The banks should be at least "A" rated and the amount with a single bank can be a maximum 10 percent.

According to the new regulation, life insurers will be able to invest 15 percent of assets in bonds issued for development of physical infrastructure and other bonds with rating of "AA" or above.

Around 10 percent of assets can be invested in debentures of companies or securities issued by city corporations.

A company will also be able to invest 25 percent of its assets in ordinary shares or preferential shares of companies but not junk stocks. The amount of investment in mutual funds and unit funds will have to be within 20 percent of the assets.

A life insurer will be able to invest 20 percent of its assets in undisputed immovable assets located within city corporations and municipalities.

The companies will have to submit statements informing of the assets within 30 days of completion of audits on investment. They will have to file investment returns three times every year within 21 days from the last day of March, June and September.

According to the IDRA, currently there are 32 life insurance companies in the country and their assets totalled Tk 38,710 crore in 2018.

## US top trade negotiator praises deal, China remains cautious

REUTERS, Washington/Beijing

US President Donald Trump's top trade negotiator praised a "phase one" US-China trade deal which is expected to nearly double US exports to China over the next two years, while China remained cautious ahead of the signing of the agreement.

US Trade Representative Robert Lighthizer, speaking on CBS' "Face the Nation" program on Sunday, said there would be some routine "scrubs" to the text, but "this is totally done, absolutely."

The deal, announced on Friday after more than two and a half years of on-and-off negotiations between Washington and Beijing, will reduce some US tariffs on Chinese goods in exchange for increased Chinese purchases of US agricultural, manufactured and energy products by some \$200 billion over the next two years.

China has also pledged in the agreement to

better protect US intellectual property, to curb the coerced transfer of American technology to Chinese firms, to open its financial services market to US firms and to avoid manipulation of its currency.

Asian shares rose on Monday, with the MSCI's broadest index of Asia-Pacific shares outside Japan hitting a near eight-month high although investor caution over a lack of details capped gains.

A date for senior US and Chinese officials to formally sign the agreement is being determined, Lighthizer said.

Chinese purchases of agricultural goods were expected to increase to \$40 billion to \$50 billion annually over the next two years, Lighthizer said.

The United States exported about \$24 billion in farm products to China in 2017, the last full year before the world's two largest economies launched a tariff war on each others' goods in July 2018.



China's Vice Premier Liu He gestures to the media between US Trade Representative Robert Lighthizer and Treasury Secretary Steve Mnuchin before the two countries' trade negotiations in Washington.

REUTERS/FILE

Soybeans were the biggest US farm products shipped to China in 2017, with cargoes totaling \$12 billion in value. China has said it would buy more grains from the United States as part of the deal.

While China's trade delegation has expressed optimism about the deal, some government officials are cautious.

"(The deal) is a phased achievement, and does not mean that the trade dispute is settled once and for all," said a source in Beijing with knowledge of the situation. That source said signing and implementing the pact remained the main priority for success.

Several Chinese officials told Reuters the wording of the agreement remained a delicate issue and care was needed to ensure expressions used in text did not re-escalate tensions and deepen differences.

China faces huge pressure to fulfil the phase one deal, said Shi Yinhong, a professor at Renmin University and an adviser to the cabinet.

Shi suggested imports of some US agricultural goods like soybeans would be far above China's demand.

"Trump will also force China to buy a lot of US energy and manufacturing products at this stage or the next stage," Shi told a forum in Beijing on Monday.

"Look at Trump and Lighthizer, they are very happy. But our government only reported facts, we did not cheer."

The deal suspended a threatened round of US tariffs on a \$160 billion list of Chinese imports that was scheduled to take effect on Sunday. The United States also agreed to halve the tariff rate, to 7.5 percent, on a \$120 billion list of Chinese goods including Bluetooth headphones, smart speakers and flat-panel televisions.

USTR and the US Treasury said reports that US negotiators had offered to cut the tariff rate by half on all \$360 billion worth of goods hit by tariffs were "utterly false".

"No such offer was ever made to China by the United States. There is not a single knowledgeable American negotiator who would support this falsehood," the agencies said in a joint statement.

The deal ultimately left 25 percent US tariffs on \$250 billion worth of Chinese imports, limiting stock market gains on Friday.

## UK in deals for Pearson's English tests

STAR BUSINESS DESK

Learning company Pearson yesterday announced it has been awarded commercial agreements from the UK's Home Office to provide Secure English Language Tests (SELTs) to people who need to demonstrate their English language skills to work or live in the UK.

Running for a minimum of three years, the commercial agreements will be delivered through the Pearson Test of English (PTE) Academic and PTE Home - a new speaking and listening test for family visa, settlement and citizenship applicants, according to a statement.

Both these English language tests have been internally developed by Pearson. PTE Academic is one of the fastest growing products in Pearson and is a strategic growth priority for the company, posting 30 percent growth in test volumes last year, the statement added.

The test is already accepted by the Australian and New Zealand governments for all visa applications.

It is also accepted by 100 percent of Australian, New Zealand and Irish universities, 98 percent of UK universities, and more than 2,000 academic programmes in the USA.

The fully digital test is delivered through Pearson VUE, the computer-based testing business of Pearson.

The latest AI technology is used for scoring, biometric data collection provides enhanced security measures and voice recognition software is applied for the speaking element of the test. These cutting-edge technologies ensure the provision of an impartial and highly accurate test of people's English language proficiency.

Besides, test takers can book online up to 24 hours in advance, take advantage of year-round worldwide testing slots and receive their results quickly - 1.2 days the average so far for 2019, it added.

## Oil prices near three-month highs on US-China trade deal

REUTERS, London

Oil prices on Monday held near three-month highs, supported by last week's announcement that an initial trade deal had been reached between the United States and China.

Brent crude oil futures LCOc1 rose 17 cents or 0.3 percent to \$65.39 a barrel by 0940 GMT, while West Texas Intermediate crude was up 10 cents or 0.2 percent to \$60.17 a barrel.

The United States and China announced on Friday a "phase one" agreement that will reduce some US tariffs in exchange for what US officials said would be a big jump in Chinese purchases of US farm products and other goods.

"What the market needs now, though, is clarity around exactly what the deal entails," analysts from ING Economics said. "The longer we have to wait for this detail, the more likely market participants will start to question how good a deal it actually is."

The Friday agreement averted additional tariffs on Chinese goods totaling \$160 billion that the United States was set to impose over the weekend.

US Trade Representative Robert Lighthizer said on Sunday the deal would nearly double US exports to China over the next two years and was "totally done" despite the need for translation and revisions to its text.

China's State Council's customs tariff commission said on Sunday it had suspended additional tariffs on some US goods that were meant to be implemented on Dec. 15.

Data from China on Monday showing industrial output and retail sales growth accelerating more than expected in November offered some support for oil prices.

Investors remained cautious as growth in China was expected to slow further next year, with the government likely to set its growth target at about 6 percent in 2020 compared with 6 percent-6.5 percent this year.

## Middle Eastern suppliers eye Bangladesh

FROM PAGE B1

Salalah International Gypsum Company has been supplying gypsum, one of the components of the cement industry, to six companies in Bangladesh for a decade.

Five new companies have shown interest to import gypsum from Salalah International Gypsum Company, Jalal said.

In 2018, the company exported two million tonnes of gypsum to Bangladesh.

Similarly, Al Jood Natural Resources has been exporting gypsum to Bangladesh for the last five years and supplied 50,000 tonnes of gypsum last year, said Ahmed Murshid, marketing manager (international) of the company.

"The company is very keen to increase exports to Bangladesh and very hopeful to increase business as the demand for cement is rising on the back of a lot of government projects and heavy construction work," he said.

The company has five permanent clients in Bangladesh and four new clients have expressed interest to import raw materials from the company, he said.

Danesh Taheri, technical and development manager of M&B, said

over the last 10 years, the company has exported grey clinker, the main raw material for cement, to Bangladesh. At the exposition, some new clients said they would import clinker from the Dubai-based company.

About 80 percent of the clinker used for cement production in Bangladesh is imported.

Due to a lack of mineral resources, cement manufacturers bring in an estimated 18 tonnes of clinker every year, said Khan of Shun Shing Group.

Khan said the industry would not need to import fly ash after five years as the component, a byproduct of coal-based power plants, would be produced in the country.

The local production of fly ash would save \$130 million annually, he said.

Cement manufacturers import clinker, gypsum, fly ash, and iron slag from China, Hong Kong, India, Indonesia, Thailand, Japan, Korea, Malaysia, Oman, and the UAE.

There are around 125 cement manufacturing companies in the country, out of which 37 are in operation. The total production capacity of the cement mills was 58 million tonnes in 2018.

## Boeing board meets as company considers 737 MAX production changes

REUTERS, Washington

Boeing Co is considering whether to cut or halt production of its grounded 737 MAX after the Federal Aviation Administration said last week it would not approve the plane's return to service before 2020, a person briefed on the matter said on Sunday.

The largest US planemaker's board of directors is holding a regular two-day meeting in Chicago starting Sunday and the company could make an announcement on production plans as soon as late Monday, the person said.

The Seattle Times reported Sunday the board is considering a proposal from top management to temporarily shut down 737 production. The person briefed on the matter told Reuters a temporary shutdown is more likely than another production cut, but it would potentially take a few weeks before production could be halted.

Boeing said in a statement Sunday the company "will continue to assess production decisions

based on the timing and conditions of return to service, which will be based on regulatory approvals and may vary by jurisdiction."

Boeing has said if it did not receive approval to begin deliveries before the end of the year it could

be forced to further slow production or temporarily shut down the MAX production line, a move that would have repercussions across its global supply chain.

The best-selling Boeing plane has been grounded since March after



Southwest Airlines Boeing 737 MAX aircraft are parked on the tarmac after being grounded, at the Southern California Logistics Airport, US.

two fatal crashes in Indonesia and Ethiopia that killed 346 people.

On Thursday, Boeing abandoned its goal of winning approval this month to unground the 737 MAX after Chief Executive Dennis Muilenburg met with FAA Administrator Steve Dickson. Dickson said on Wednesday he would not clear the plane to fly before 2020 and disclosed the agency has an ongoing investigation into 737 production issues in Renton, Washington.

Dickson said Wednesday there are nearly a dozen milestones that must be completed before the MAX returns to service. Approval is not likely until at least February and could be delayed until March, US officials told Reuters last week.

Dickson told Muilenburg, according to an email sent to lawmakers by the FAA, that "Boeing's focus should be on the quality and timeliness of data submittals for FAA review. He made clear that FAA's certification requirements must be 100 percent complete before return to service."

## E-commerce sales to reach \$3b in 4 years

FROM PAGE B1

The online sales of furniture and appliances will go up to \$352 million after four years.

Online sales of toys and hobby products stand at \$260 million and it can almost be double to \$442 million by 2023.

Ahmed, who heads the Women and e-Commerce Forum, a Facebook platform that promotes local products, said many of the local e-commerce industry may not accept the Statista numbers.

Some people also try to hide the reality in order to get tax benefit from the government, he said.

He said thousands of women entrepreneurs

now run businesses through Facebook and handle hundreds of crores of taka.

Some online shop owners only consider selling physical goods as e-commerce. In reality, services such as rideshare, app-based food delivery, and e-ticketing are all part of e-commerce.

Calling doctors and other medical professionals home using online platforms and buying medicines and taking delivery are also very much part of e-commerce, he said.

"People don't consider online sales of brands such as Aarong, Walton and Samsung as e-commerce and that's why their estimate is very conservative," Ahmed said.

However, e-CAB leaders say the e-commerce

market is not more than Tk 3,000 crore, \$350 million, with 50,000 deliveries daily.

The United Nations sees Bangladesh as a fertile ground for e-commerce growth.

"Bangladesh is fertile ground for e-commerce to take root and benefit companies and consumers alike," said Shamika N Sirimanne, director of technology and logistics at the United Nations Conference on Trade and Development (UNCTAD), in July this year.

Bangladesh has laid down an exemplary digital foundation and is striving to prepare its citizens for the digital future, an UNCTAD assessment of the country's readiness to engage in e-commerce shows.

## Bangladesh can weather ongoing global recession

FROM PAGE B1

This fiscal year, the economy is expected to grow at 8.25-8.30 percent. The growth rate will accelerate to 10 percent by 2024 and go from strength to strength from then onwards. "Bangladesh is the best in the world in achieving growth targets," he said, attributing it to Prime Minister Sheikh Hasina's leadership.

The country is one of the few whose export earnings are increasing very fast, according to Kamal.

"Our average life expectancy has increased; hunger and poverty rates

have fallen more than ever before. This may seem like fiction, but this is the reality." And the biggest reason for this is Bangladesh's 16 million-strong population.

"We create our demand and supply. As a result, there is no threat to our economy at this moment."

The country also has a sizeable population of gifted youths, whose potential will be harnessed in future.

"The power of youth is on our side," he said, adding that by 2030 employment will be provided to 3 crore youths and there will be no shortage of jobs.