

Qatar Airways Cargo brings second freighter to Europe

STAR BUSINESS DESK

Qatar Airways Cargo has recently introduced a second weekly direct air freighter to Europe from Bangladesh to meet the increasing demand of apparel shipments.

More than 90 percent of the airline's cargo is apparel products, said Suhed Ahmed Chowdhury, cargo manager for Bangladesh at the state-owned flag carrier of Qatar.

"Our cargoes will help Bangladeshi garment makers export their goods to their buyers in Europe in 11 hours."

The airline now freights 200 tonnes of goods to Europe weekly with its two Boeing 777 freighters, it said in a statement.

"Through the introduction of the direct freighter service, RMG manufacturers in Bangladesh can export their products directly and quickly to Europe with Qatar Airways Cargo," said Guillaume Halleux, chief officer for cargo at Qatar Airways.

By introducing a direct cargo service from Dhaka to Spain's Zaragoza in October last year, the airline became the first to introduce Dhaka to Europe non-stop freight facility.

The second frequency introduced on December 16 is on Dhaka to Luxembourg route.

Apart from that, the airline operates another five 100-tonne cargo flights via Doha mainly to the US and European destination.

Besides, it carries 60 tonnes cargo per day through its three passenger flights.

Around 20 percent of Bangladesh's overall apparel export is sent through air cargo.



However, cargo business has been dull for the last several months because of falling apparel exports, Chowdhury said.

Exports slumped 10.20 percent year-on-year to \$3.05 billion in November last year while garment exports declined 7.74 percent to \$13.08 billion between July and November, according to data from the Export Promotion Bureau.

If the trend persists during the remaining months of 2019-20, Bangladesh may also lose

its second place in apparel exports to Vietnam.

"So, now we are trying to provide the exporters attractive service such direct flights so that apparel exporter can cope up with fast fashion," Chowdhury said.

The amount of cargo being handled by Bangladesh's Hazrat Shahjalal International Airport has been increasing by 15 percent annually for the past few years, according to Bangladesh Freight Forwarders Association.

German employment hits record high in 2019

REUTERS, Berlin

German employment reached a record high in 2019 as higher labor-market participation and increased immigration of foreign workers more than offset demographic change, the statistics office said on Thursday.

The number of people with jobs rose by 402,000, or 0.9 percent, to 45.3 million despite weaker economic growth last year, the office said. It grew 1.2 percent the previous year.

"This means that the uninterrupted growth in employment levels that we have seen over the past 14 years is still continuing,

albeit with reduced momentum," the office added.

Services recorded the highest year-on-year increase, of 319,000. The number of people with jobs in manufacturing rose by 59,000. Employment in construction rose by 36,000.

The labor market boom is also helping workers get better jobs with improved social security and higher pay.

"The number of employees subject to social insurance contributions increased again, whereas the total of marginally employed people (including those employed on a low-pay or short-term basis) continued to decrease," the office said.

Tesla to start delivering China-made Model 3s on Jan 7

REUTERS, Shanghai

Tesla Inc will deliver its first Chinese made Model 3 sedans to the public on Jan. 7 at an event at its Shanghai plant, a representative for the firm told Reuters on Thursday.

The Shanghai plant is part of the Silicon Valley automaker's plans to bolster its presence in the world's biggest auto market and minimize the impact of the US-China trade war.

Fifteen Tesla employees who had purchased a car were the first to receive their Model 3s on Monday after the first China-made vehicles rolled off the plant's production line in October.

The deliveries come a year after

construction of Tesla's only plant outside the United States began. Production started in October with a target of 250,000 vehicles a year once the Model Y is added to the line up.

The Model 3 is priced at 355,800 yuan (\$50,000) before subsidies. Tesla said previously that it wanted to start deliveries before the Chinese new year beginning on Jan. 25.

Tesla's China General Manager Wang Hao said the company plans to ramp up Model 3 deliveries in January.

Tesla executives also told reporters the plant had achieved a production target of 1,000 units a week, or around 280 cars a day, and that sales for the China-made sedan had so far been "very good".



BB gets new GM

STAR BUSINESS DESK

Rokeya Khatun has recently been promoted as a general manager for the Governor Secretariat department of Bangladesh Bank (BB).

Prior to the promotion, she was a deputy general manager, according to a statement. Rokeya joined BB as an assistant director (research) in 1992.

She obtained her graduate and post graduate degrees in economics from the University of Dhaka.

Square Pharma stock price sinks for no reason

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Ensuring quality is crucial in the pharmaceutical sector as people will not buy products if they are distrustful of the brand, he added.

PHARMA MARKET

The domestic pharmaceutical market size stood at Tk 22,352 crore with a 16.71 percent compound annual growth rate in the last five years.

The pharmaceuticals sector providing about 98 percent of the total medicine requirement of the domestic market and exports to more than 147 countries. The local companies control 90 percent of the market and multinationals 10 percent.

The country's pharma sector has the potential to grow at 15 percent for the next five years, riding on the expanded domestic market as well as new export frontiers.

Gold gains on overall dollar softness, markets eye Fed minutes

REUTERS

Gold prices edged up on Thursday, holding close to a three-month peak as the metal benefited from weakness in the dollar, with the market focus on minutes of the US Federal Reserve's December policy meeting.

Spot gold rose 0.2 percent to \$1,519.76 per ounce as of 1039 GMT, having touched the highest level since Sept. 25 at \$1,525.20 on Tuesday. US gold futures were down 0.1 percent at \$1,522.30.

"We are seeing a bit of a bounce back in the dollar but if you look at the movements that we saw (in the past few days), it is probably supporting gold in the interim," said OANDA analyst Craig Erlam.

"There is a bit of a correlation between the two (dollar and bullion) right now, which is what really propelled gold from \$1,480 to \$1,520," he said, adding a further upside in dollar could, however, add pressure to gold.

Against key rivals, the dollar inched up about 0.3 percent this session, but was trading not far from its July-2019 low touched on Tuesday.

Beijing's decision to ease monetary policy further supported bullion, Erlam added.

China's central bank on Wednesday said it was cutting the amount of cash that all banks must hold as reserves, releasing funds to shore up the slowing economy.

Bullion prices posted their biggest annual rise in nearly a decade in 2019, boosted by the drawn-out trade war between the United States and China that dragged on global economic growth.

Many analysts said prices were likely to rise further in 2020, with shaky growth and global stock markets potentially looking unsustainable at record highs.

HSBC kicks off year with Hong Kong branches closed, vandalised

REUTERS, Hong Kong

HSBC is being drawn into Hong Kong's political turmoil with protesters attacking some of its branches and graffiti daubed on the famous pair of lions that guard its city-centre headquarters.

Hong Kong is the bank's single most important market, accounting for just over half of its \$12.5 billion pre-tax profits in the first half of 2019, though with the protests tipping Hong Kong's economy into recession, HSBC and its peers are expected to take a financial hit.

Until now, HSBC had largely escaped direct involvement in the often-violent anti-government protests that have shaken Hong

Kong for more than six months even as other companies with perceived links to Beijing have seen premises vandalised, including Bank of China (Hong Kong), Hong Kong's second largest bank behind HSBC.

But more recently, HSBC has drawn the ire of some protesters who accuse it of being complicit in action by the authorities against activists trying to raise money to support their campaign.

Protesters link the bank's closure in November of an account held by a group called Spark Alliance, which helps pay protesters' legal costs, to the December arrest of four Spark Alliance members on money laundering charges.

HSBC has strongly denied any connection.

"People are angry because they feel that HSBC has stopped money getting to the protesters," one protester said on Wednesday, of the decision to close the account as he stood in a group taking photos of the damaged lions.

HSBC said in a statement after the arrests that the decision to close the account was "in accordance to international regulatory standards".

"Our decision is completely unrelated to the Hong Kong Police's arrest of the four individuals on 19 December 2019. We closed the account in November 2019 following direct instruction from the customer," the bank said.



Kamal Hossain, managing director of Southeast Bank, launches the bank's Visa Dual Currency Debit Card at its head office in Dhaka recently.

Telecom service quality drops: BTRC

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"Currently, we are only working with mobile phone operators' service quality and in the coming days we will work on the quality of other service providers," he said, adding that the commission would take administrative measures unless the quality of service parameters is maintained by the operators.

The service quality depends on the overall telecom ecosystem, including mobile network system, handset quality, planned high-rise building and availability of space for towers, Md Shahidul Alam, director general for spectrum management at the commission, said.

"If the issues can be sorted out, the service quality will improve accordingly," he said. The commission has measured tower radiation and found it to be below the parameters set by World Health Organization. "But there is nothing to be

worried about radiation," Mahfuzul said.

Because of the speculation on radiation, some households are not willing to lease out their rooftops to mobile operators and others to install towers. Some have even forced carriers to remove towers. "This has impacted the service quality," Mahfuzul said.

The commission plans to appoint administrators if the operators do not clear the dues. "As per law, the BTRC can cancel their licences or appoint administrators if mobile operators fail to repay dues," Haque said.

According to figures released yesterday, mobile phone subscribers in the country went up by 86 lakh to 16.55 crore last year and tele-density widened by 2.84 percentage points to 99.2 percent.

Internet subscribers were up by 78 lakh to 9.91 crore and 4G internet users rose by 1.54 crore to 2.71 crore. BTRC Vice-chairman Subrata Roy Maitra was also present.

Uber Eats goes local to find its niche in South African food fight

REUTERS, Soweto, South Africa

A stone's throw from Nelson Mandela's former home in South Africa's Soweto township, Dumile Badela's restaurant is now more hectic and lucrative than ever, thanks to Uber Eats, his hungriest customer yet.

Having already dominated Africa's ride-hailing sector, Uber is trying to conquer the food delivery market by leveraging its massive fleet of drivers in the continent's most developed economy and tracking popular food choices and destinations.

The prize is big. The country's online food delivery industry was

worth 10.49 billion rand (\$713 million) in 2019, according to data portal Statista. And with growth pegged at nearly 14 percent annually, it will hit 17.6 billion rand by 2023.

Surprisingly perhaps, Uber got off to a tricky start.

An initial focus on high-end restaurants proved to be a mistake in a country perpetually on the verge of recession. The San Francisco-based app is now targeting traditional, local fare.

In May, it launched in Soweto, where it works with around 20 partners and is adding more local foods to its 480,000 menu items, dispatching

dishes like stewed tripe, caterpillars, cow heels and sheep's head to mostly middle-class customers who crave a taste of home.

"I'd say Uber Eats has improved our sales by about 15 percent to 20 percent. But I'm targeting even more, up to 50 percent," Badela says.

"There's huge opportunity."

It could be a win-win: Uber posted a \$1.16 billion third-quarter loss and Uber Eats is the company's fastest-growing business, contributing more than 10 percent of its quarterly revenue of \$3.8 billion.

Uber isn't alone in wanting a large piece of the South African pie.



Md Ahsan-uz Zaman, managing director of Midland Bank, cuts a cake to mark the bank's milestone of serving one lakh individual customers at its head office in Dhaka on January 1.

Growth slowest in seven years

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"Though year-on-year growth in container handling was a bit lower last year, the port still maintained positive growth," CPA Secretary Md Omar Faruk said.

"This is not surprising at all," said Zahid Hussain, former lead economist of the World Bank's Dhaka office.

"Exports and imports have both declined. These are the fundamentals which drive the growth of container handling. There is indeed a slowdown in the economy."

Different types of commercial items, machinery, commodity, chemical products and all sorts of industrial raw materials except those used in cement and ceramics sector are imported through containers while export-oriented items are solely carried

through containers.

"The country's major export-earner readymade garment sector has been experiencing negative growth in the last few months and it was also reflected in the port's annual container throughput," said Nasir Uddin Chowdhury, chairman of the standing committee on port and shipping of the Bangladesh Garment Manufacturers and Exporters Association.

Overall earnings from the merchandise exports between July and November fell 7.59 percent to \$15.77 billion. Lower shipment of apparel items, which accounted for more than 80 percent of the national exports, contributed to the decline.

Between July and November, garment exports declined 7.74 percent to \$13.08 billion, data from the

Export Promotion Bureau showed.

Earnings from the merchandise exports rose only 2 percent in the first 11 months of 2019, according to data from the central bank. Imports fell less than 1 percent between January and September.

Though the port faced container and vessel congestions on various occasions throughout the year, the situation has improved after six gantry cranes were installed in the second half of the year.

The port's capacity and efficiency will increase further in 2020 with the purchase of a few more gantry cranes and through the implementation of some of the expansion projects such as Patenga Container Terminal and the building of yard facilities in the Bay Terminal site, Faruk said.