



Md Mokabbir Hossain, managing director and CEO of Biman Bangladesh Airlines, and Mohammed Monirul Moula, additional managing director of Islami Bank Bangladesh, exchange signed documents at Le Méridien Dhaka on January 2 providing 10 percent discount on domestic flights and up to 20 percent on international ones for the bank's Visa debit and Khidmah (credit) cardholders.

## Risks remain but US recession threat receded: Fed minutes

REUTERS, Washington

Risks to the US economy remain, but key trade uncertainties have eased and the threat of a downturn has receded, according to the minutes released Friday of the Federal Reserve's last meeting.

The record of the central bankers' discussion last month shows some relief that the trade war with China seemed to have been defused, along with the risk of Britain crashing out of the European Union.

Fed officials noted that "the domestic economy was showing resilience in the face of

headwinds from global developments."

And more encouraging economic models "suggested that the likelihood of a recession occurring over the medium term had fallen noticeably in recent months."

At its final meeting of 2019, on December 10-11, the Fed's policy-setting Federal Open Market Committee left the benchmark interest rate in the target range of 1.5-1.75 percent, after cutting rates three times last year in their effort to buoy the economy amid multi-front trade wars.

The meeting was held before President Donald Trump announced a "phase one" trade deal with China that averted another round of

damaging import tariffs and possible retaliation -- a prospect that had been weighing heavily on US businesses.

Trump announced this week that the deal was due to be signed in Washington January 15 -- although new fears of conflict with Iran have added a fresh level of uncertainty.

The minutes said that while "many" central bankers "saw the risks as tilted somewhat to the downside, some risks were seen to have eased over recent months."

Still, they pointed to "trade developments and concerns about the global economic growth outlook as the main factors contributing to weak business investment and exports."

That sentiment was confirmed Friday when an industry survey showed the US manufacturing sector slowed further into recession last month, falling to its weakest point since mid-2009.

And Fed officials also pointed to "new uncertainties" in US trade policy with Argentina, Brazil, and France, and political tensions in Hong Kong.

While the central bank's December vote on the key interest rate was unanimous, the minutes showed policymakers may not be fully on board with Fed Chairman Jerome Powell's position that they should maintain the current stance until something happens to "materially" change the economic outlook.

A number of officials said remaining on hold would give them time to assess new developments, and gauge the effect of the three rate cuts in "cushioning the economy from the global developments" and getting persistently-low inflation back up to the Fed's 2 percent goal.

But other Fed members again raised concerns that keeping interest rates too low for too long "might encourage excessive risk-taking" which could in turn make the next recession more severe.



The Federal Reserve Board building is seen on Constitution Avenue in Washington.

## Oil rises after US killing of top Iranian general fuels war fears

AFP, New York

World oil prices jumped on Friday after the US killed a top Iranian general, fanning fresh fears of conflict in the crude-rich Middle East, with Tehran warning of "severe" retaliation.

While global stock markets were mixed following the US killing of Qasem Soleimani, oil prices jumped more than three percent.

In Washington, a Pentagon official said the US would deploy at least 3,000 additional troops to the Middle East as Iran's supreme leader Ayatollah Ali Khamenei promised "severe revenge" for the death of the military mastermind.

The killing of Soleimani represents "a significant spike in geopolitical risks and could lead to a direct confrontation between the US and Iran," Oxford Economics said in a commentary.

"The importance stems less from the potential loss of Iranian oil supplies... and more from the risk that this could spark a broader conflict that draws in Iraq, Saudi Arabia and others," Cailin Birch, global economist at The Economist Intelligence Unit told AFP.

"There is also a significant risk that Iran could launch a targeted attack on US ships in the region, which could disrupt seaborne crude oil flows and cause prices

to rise further." Oil prices saw record gains in September after attacks on two Saudi Arabian facilities briefly slashed output in the world's top oil exporter by half.

Birch, however, talked down the prospect of a full-blown war and described Friday's price gains as "fairly muted" so far.

European stock markets were mixed, while Wall Street retreated from records, with the Dow ending down 0.8 percent.

While US stocks were in the red the whole session, the moderate size of the losses suggested investors recalled the pullbacks following earlier violent events in international hotspots did not prove lasting, said Gregori Volokhine of Meechaert Financial Services.

"It's like previous geopolitical events and it doesn't change the broader dynamic of the market, which is that investors are feeling good because the economy is better than expected, the trade war is easing and the Fed is being supportive," he said.

Among the sectors, petroleum companies such as Schlumberger and Apache gained, along with defense companies including Lockheed Martin and Northrop Grumman. But airlines shares were under pressure.

Meanwhile, investors piled into safe-havens, including government bonds, the Japanese yen and gold, which reached a near four-month peak.

## India 2019 gold imports hits three-year low

REUTERS, Mumbai

India's gold imports in 2019 fell 12 percent from a year ago to the lowest level in three years as retail buying faltered in the second half after local prices rallied to a record high, a government source said on Friday.

Lower buying by the world's second biggest consumer of the precious metal could weigh on global prices that jumped 18 percent in 2019, but help the government bring down the trade deficit and support the rupee.

India meets nearly all its gold demand through imports, which amounted to 831 tonnes imported in 2019, down from 944 tonnes a year ago, said the source, who is not authorised to speak to the media.

In value terms, 2019 imports fell nearly 2 percent to \$31.22 billion, he added.

Gold imports in December dropped 18 percent from a year ago to 60 tonnes, the source said, adding that in value terms, December imports fell 4.3 percent to \$2.46 billion.

"We were expecting 2019's demand and imports would surpass 2018. But as prices started rising from June onwards, retail demand moderated," said a bullion division head of a private bank.

Gold futures in India hit a record high 39,885 rupees per 10 grams in September.

In the first half of 2019, India imported 564 tonnes of gold, while in the second half imports stood at 267 tonnes, government data showed.

Usually imports jump during the second half



A salesman shows gold bangles to a customer inside a jewellery showroom in Kochi, India.

due to the wedding season as well as festivals such as Diwali and Dussehra, when buying gold is considered auspicious.

Gold imports in January could fall below 40 tonnes if the bullion prices remain elevated, said a Mumbai-based dealer with a bullion

importing bank.

Gold prices jumped 1 percent to a four-month high on Friday as tensions flared in the Middle East after a senior Iranian military official was killed in a US air strike, sparking safe-haven bids.



Jabed Iqbal Pathan, chairman of Nipro JMI Pharma; Abdur Razzaq, managing director, and Md Mizanur Rahman, CEO, attend the company's "Annual Sales Conference 2019" at Bangabandhu International Conference Centre in Dhaka on January 2.

## CEO Tim Cook sees pay ebb along with Apple performance

REUTERS, San Francisco

Apple chief Tim Cook saw his annual pay slip to \$11.6 million in 2019 after the company registered a weaker financial performance compared with the previous year, according to documents filed Friday.

Cook, who took home \$15.7 million in 2018, is paid a base salary of \$3 million, in addition to a bonus and various compensations.

His 2019 incentive bonus, which is tied to Apple's performance, tallied about \$7.7 million, and was calculated based on the fact that Apple exceeded its sales target by only 28 percent.

That compared with \$12 million in 2018, based on the company

exceeding its sales target by 100 percent, the filing with the Securities and Exchange Commission said.

Cook's 2019 pay was also reported



Apple CEO Tim Cook

to include another \$885,000 worth of benefits, most of which were for security and use of a private jet.

"For security and efficiency reasons, the board requires Mr. Cook to use private aircraft for all business and personal travel," the filing said.

Apart from his salary, Cook also saw more than \$113 million worth of Apple shares become vested as part of his long-term compensation as head of the firm, according to the filing.

As iPhone sales have weakened, Apple has been shifting to earnings from digital content and services sold to the legions of fans of its devices.

Apple reported net sales of \$260.2 billion and operating income of \$63.9 billion for 2019, it said in the filing.

## Ghosn fled Japan after security firm hired by Nissan stopped surveillance

REUTERS, Tokyo

Ousted Nissan boss Carlos Ghosn left his Tokyo residence after a private security firm hired by Nissan Motor Co stopped monitoring him, three sources familiar with the matter told Reuters on Saturday.

Ghosn has become an international fugitive after he revealed on Tuesday he had fled to Lebanon to escape what he called a "rigged" justice system in Japan, where he faces charges relating to alleged financial crimes.

Nissan had hired a private security company to watch Ghosn, who was on bail and awaiting trial, to check whether he met any people involved in the case, the three sources said.

But his lawyers warned the security company to stop watching him as it would be a violation of his human rights, and Ghosn was planning to file a complaint against the company, the sources said.

The security company stopped its surveillance by Dec. 29, the sources said.

One of his lawyers, Junichiro Hironaka, told reporters in November that they were considering steps to prevent people from stalking Ghosn.

A Nissan spokesperson declined to comment.

Japanese public broadcaster NHK, citing investigative sources, said a surveillance camera by the authorities in Ghosn's home showed him leaving alone around noon on Sunday, and did not show

him returning.

It was unclear how Ghosn, who holds French, Brazilian and Lebanese citizenship, was able to orchestrate his departure from Japan. He entered Lebanon legally on a French passport, one source has told Reuters.

A Turkish private jet operator said on Friday that Ghosn used two of its planes illegally in his escape from Japan, with an employee falsifying lease records to exclude his name from the documents.

Ghosn has said he will speak publicly about his escape on Jan. 8.

He was first arrested in Tokyo in November 2018, shortly after his private jet touched down at the airport. He faces four charges - which he denies - including hiding income and enriching himself through payments to dealerships in the Middle East.



Carlos Ghosn

## China banking regulator eases market access for foreign lenders

REUTERS, Shanghai

China's banking and insurance regulator (CBIRC) has released new rules which make it easier for foreign lenders to enter the Chinese market.

The measures cancel the total asset requirements for foreign banks to set up businesses in China and relax limitations on shareholders of joint venture lenders, according to a notice posted on the CBIRC official website late on Friday.

Foreign lenders will also be able to open both branches and wholly foreign-owned

banks at the same time in China, it said.

Meanwhile, the requirements for equity management and anti-money laundering and anti-terrorist financing have been tightened, it added. China said in October it planned to remove business restrictions on foreign banks, brokerages and fund management firms.

The country is currently locked in a tit-for-tat trade battle with the United States in which China has been touting its free trade credentials. But the two sides have agreed on a partial deal which could be signed soon.