

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▼ 2.33%	▼ 2.48%	\$1,810.20	\$60.14	▲ 1.22%	▲ 2.12%	▲ 0.84%	▲ 1.03%	BUY TK 83.95	100.02	114.40	12.81
5,376.45	9,365.18	(per ounce)	(per barrel)	51,348.77	29,388.50	2,931.40	3,532.45	SELL TK 84.95	103.82	118.20	13.47



Star BUSINESS

DHAKA TUESDAY FEBRUARY 9, 2021, MAGH 26, 1427 BS • starbusiness@thedailystar.net

Raw jute prices hit new high

Cross Tk 5,000 a maund

SUZIT KUMAR DAS and SOHEL PARVEZ

Raw jute prices hit a new high as the natural fibre traded for as much as Tk 5,300 per maund (one maund equals 37 kilograms) at local markets in Faridpur, the biggest producing district, as supply shortage became acute.

The latest data shows that prices soared 29 per cent in just over two weeks from Tk 4,100-4,200 per maund in the third week of January, according to traders.

"The market has gone wild. It appears that prices are soaring every hour and there is no scope to seek a bargain," said Mohammad Shahidul Islam Dulal, proprietor of Progress International, a jute trader and exporter.

Prices of raw jute began rising after harvesting began in the July-August period last year.

Prices of the eco-friendly fibre crossed Tk 3,000 per maund in September amid stockpiling by middlemen and slow release by farmers seeking to profit amid

speculations that production fell as a result of floods and unfavourable weather.

The soaring prices created concerns among millers, who warned last week that most mills might be shut in the next one or two months due to a shortage of raw jute to make jute yarn, twine, bags, sacks and other goods.

Millers said total production would be 55 lakh bales in the last season while Hossain Ali Khondoker, director general of the Department of Jute (DoJ), said that they expected production of 74 lakh bales.

Now it appears that overall production would be around 55-60 lakh bales, he said.

In order to keep factories running, the Bangladesh Jute Spinners Association (BJS) and Bangladesh Jute Mills Association (BJMA) in a letter to the Ministry of Textiles and Jute last week urged the government to fully ban raw jute exports and allow imports until June 2021.

Traders in Faridpur district blamed poor supply of raw jute for the spiralling price.

Md Abul Hasan, a jute trader of Baliagotti market under Saltha upazila of Faridpur, has been engaged in the trade since 2004.

He said the high price of the fibre affected his purchases as he could not buy as much as needed.



Whirlpool Corp, Transcom Group form manufacturing joint venture



STAR BUSINESS REPORT

Whirlpool Corporation, world's leading kitchen and laundry appliance company, and Transcom Group, one of the renowned business houses in Bangladesh, yesterday announced an agreement to set up a manufacturing plant in joint venture to make refrigerators in the country, said a press statement yesterday.

People's growing income and quest for convenience are fueling demand for kitchen appliance and encouraging global companies such as Whirlpool to set up facilities here.

The plant, spreading over approximately 85,000 square feet area, will adhere to Whirlpool Corporation's world class manufacturing standards, coupled with Transcom Group's focus on high-quality manufacturing, business excellence and legacy, the statement said.

The plant in Narsingdi, the

northeastern district of Dhaka, will manufacture a wide range of technologically advanced refrigerators for sale by Whirlpool and Transcom under their respective brands.

"Bangladesh is an important country for Whirlpool Corporation and an emerging economy where we see significant growth opportunities and through this venture we are demonstrating our ambition in this marketplace," said Samuel Wu, executive vice president and president of Whirlpool Asia.

"We are pleased to have a trusted partner like Transcom to help us accelerate our presence in South Asia and develop a state-of-the-art manufacturing plant that is capable of delivering high quality refrigerators to serve consumers in Bangladesh."

With approximately \$20 billion in annual sales, 77,000 employees and 59 manufacturing and technology research centers in 2019, the USA-

based appliance maker Whirlpool, KitchenAid, Maytag, Consul, Brastemp, Amana, Bauknecht, JennAir, Indesit and other major brands in nearly every country throughout the world.

Commenting on the partnership, Simeen Rahman, chief executive officer of Transcom Group, said Bangladesh's growing economy and rapid urbanisation present a great opportunity to establish world-class local manufacturing unit in the electronics and appliances sector.

"We are delighted to partner with Whirlpool Corporation to set up a first-of-its-kind global joint venture manufacturing facility that will not only offer access to the best refrigeration technology but also create opportunities for local employment," she said.

The partnership will augment Whirlpool Corporation's presence in Bangladesh and allow us to strengthen our business pursuits in

the electronics and home appliances industries."

A leader in refrigeration globally, Whirlpool Corporation offers an innovative range of products to suit the needs of every family. Whirlpool Corporation and Transcom joint venture is looking forward to setting new benchmarks in manufacturing, said the press statement.

Built on a foundation of ethical values and business excellence by its Founder Chairman Latifur Rahman, Transcom Group is one of the largest, most diversified and fastest growing conglomerates in Bangladesh.

The group has a core strength in high quality manufacturing and has businesses across eight industries ranging from pharmaceuticals, beverages, foods, media, consumer products, Insurance, electronics and tea.

Transcom has its presence in 54 countries and employs more than 20,000 people.

'Illegal courier service' in guise of factory machinery import

MOHAMMAD SUMAN, Chattogram

Bearing telltale signs of an illegal courier service, some 70 tonnes of personal goods and contraband items were seized by Chattogram Customs House on Sunday for being imported under a false declaration of being factory machinery, apparently to evade duty.

The goods arrived at the Chattogram port from South Korea on January 17 in three containers, imported by Narayanganj-based Soheli Textile Mills and one Mollika Traders listed as the clearing and forwarding agent.

In customs documents, the importer stated it to be eight sets of old power looms worth \$20,000.

But thorough inspections based on a tip-off revealed electrical items such as old circuit breakers, cosmetics and household goods hidden out of sight in the back of the containers, said sources in the port.

For export-oriented factories, importing power looms bear only 1 per cent tax of the cost price. For cosmetics, it amounts to anything from 89 per cent to 131 per cent. Import of old circuit breakers is prohibited for the risks they pose, as per customs.

The sources said there were at least 35 packages with writings on the outside in Bangla and English apparently denoting the receivers' name, location and mobile number.



Electrical items and power looms are seen that were imported under false declaration.

Delta Life Insurance accuses IDRA chair of seeking bribe

IDRA chief files case against six officials of insurer

STAR BUSINESS REPORT

Delta Life Insurance has accused the chairman of the Insurance Development & Regulatory Authority (IDRA) of seeking Tk 50 lakh in bribes for giving approval to the reappointment of the company's chief executive officer and renewing the actuarial valuation basis.

The insurer complained against IDRA Chairman M Mosharrif Hossain with the Anti-Corruption Commission (ACC) on December 7, 2020. On December 9, it sent another letter to the commission, alleging that he demanded the bribe.

The insurer presented the recordings of phone calls and the audio clip to the commission in support of the allegation.

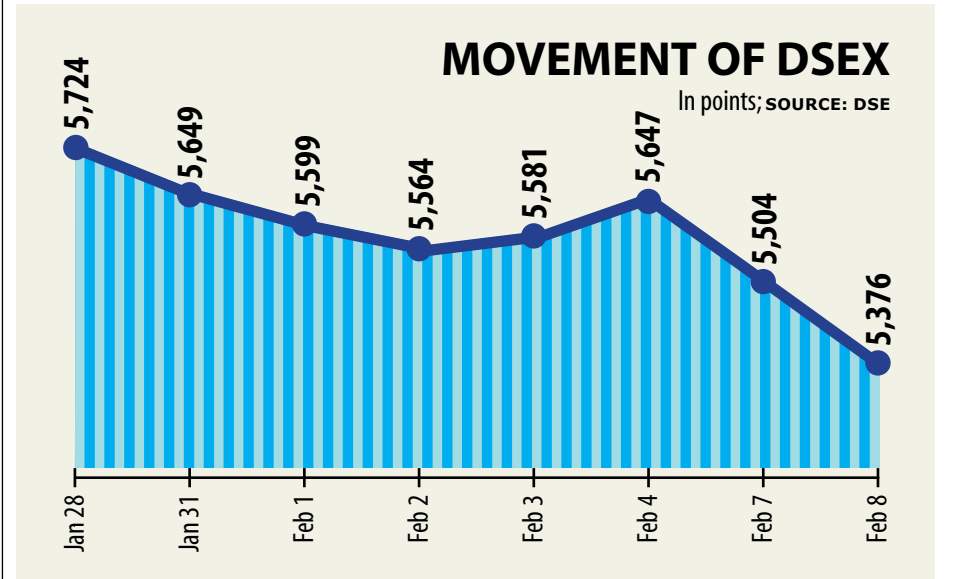
Yesterday, Hossain did not receive phone calls and reply to mobile phone messages.

After Delta's complaint to the ACC, Hossain filed a general diary with the Motijheel Police Station, stating that one official of the insurance company tried to bribe him, and that all recordings of the mobile conversations had been tampered.

The chairman filed a case in court against six officials of Delta. The court ordered the Police Bureau of Investigation to investigate the case and submit a report on Wednesday.

Hossain, also a former official of the insurer, is not approving the actuarial basis of the company intentionally and is not giving consent to the renewal of the appointment of the CEO, said Chowdhury Qamrul Ahsan, an executive director of Delta Life Insurance, at a press briefing on Sunday.

Investors flustered by sudden drop in index



STAR BUSINESS REPORT

Investors were left panicked and disheartened by the steep fall of the main index of the country's stock market.

They are now losing money even by investing in well-performing companies.

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), nosedived 128 points, or 2.33 per cent, to 5,376.45.

The index shed 4.86 per cent, or 271 points, in the last two trading sessions, stock value dropped by around Tk 20,909 crore.

"I'm really disheartened as the value of most of my stocks dropped by more than 30 per cent suddenly," said Abdul Halim, an investor who works at a private bank.

Post-LDG export loss may create new poor

Govt analysis says number of poor may rise from 24.09m to 24.16m

REJAUUL KARIM BYRON and REFAVET ULLAH MIRDHA

At least 66,622 people would fall below the poverty line due to the decline in exports following Bangladesh's graduation to a developing nation from the group of least-developed countries, according to a government analysis.

The number of poor is likely to increase from 24.09 million to 24.16 million, according to the "Impact Assessment and Coping with Strategies of Graduation from LDC Status for Bangladesh" of the General Economics Division of the planning ministry.

However, 86,568 new people may turn poor under the medium export shock scenario, implying a head count poverty rate of 13.18 per cent.

The poverty rate may jump to 13.24 per cent under the high export shock scenario as the number of new poor will be 125,168, the document said.

With more than 8.5 per cent economic growth, the head count

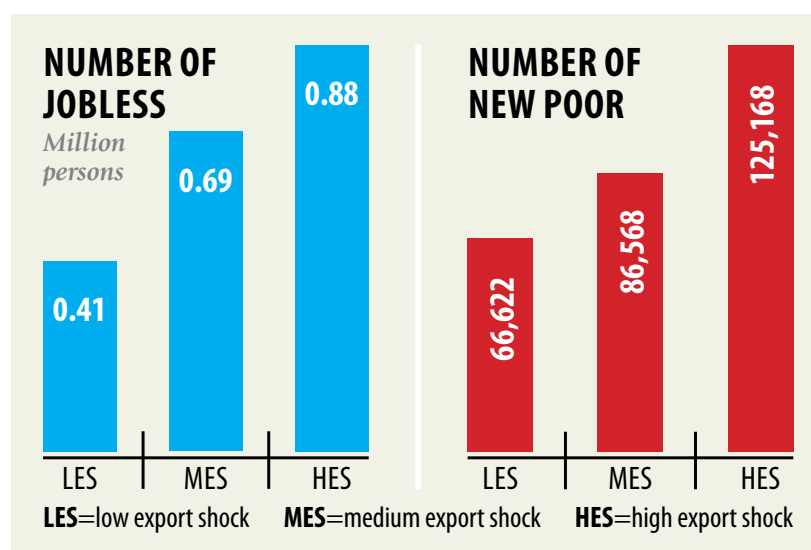
poverty is projected to drop to 13.1 per cent in 2027 under the business as usual scenario. However, economic contraction due to LDC graduation may cause the poverty level to rise, the report said.

The head count poverty rate declined to 24.3 per cent in 2016 from 31.5 per cent in 2010, aided by higher economic growth, job creation, and robust flow of remittance.

"However, gains in poverty reduction remain highly precarious as most households that escaped poverty did so by only a small margin," the document said.

Speaking about the GED observation, Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh, said the real impacts of graduation could be understood after 2024, the year when the country will start facing the graduation challenges.

"New people may fall into poverty because of graduation as market access for Bangladesh will get squeezed." However, if Bangladesh can obtain



SOURCE: GED DOCUMENTS

the generalised system of preferences (GSP) Plus status in the European Union, the poverty rate might not increase as higher exports will generate jobs, Mansur said.

There is a possibility of gaining

the status as Bangladesh is a major exporter to the bloc, he said.

If Bangladesh can meet EU conditions, which include ratifying 27 international conventions in the areas of governance, environment, labour

and human rights, the EU may offer the country the GSP Plus status.

"Offering the GSP Plus status to any country is a political decision of the EU," said Mansur, adding that Bangladesh needs to lobby with the EU. The former official of the International Monetary Fund suggested the government initiate talks with Germany and France to gain the status after 2024.

If the GSP Plus status is not granted, Bangladesh should continue lobbying with the EU to strike a trade agreement bilaterally to continue the existing trade privilege after the graduation, Mansur said.

The EU accounts for nearly 60 per cent of exports and 64 per cent of garment shipment from Bangladesh. The reduction in garment shipment, which makes up more than 80 per cent of exports, would likely lead to a national income loss, the analysis said.

The major loser from the drop in garment exports to the EU will be the labour factor. Labour returns

may decline about 5.5 per cent under the export loss simulation over the business as usual scenario.

The impacts on the returns to the capital factor have been found significantly smaller than the impacts on the labour factor. If LDC graduation is not handled properly, it may lead to a rise in income inequality, the GED analysis said.

It said the implications of the graduation may have deleterious impacts on the economy and social welfare if not planned appropriately.

The analysis projected an export loss of 4.9 per cent to the EU in 2027 in the low export shock scenario. The drop will be 9.8 per cent in the medium export shock scenario and 14.7 per cent in the high export shock scenario.

Depending on the extent of the erosion of garment exports to the bloc, the cost of LDC graduation may not be small, the GED said, calling on the government to adopt proper strategies to offset the loss.

READ MORE ON B3

Americans take to 'buy now, pay later' shopping during pandemic, but can they afford it?

REUTERS

When Leondra Garrett wanted to stock up on three new pairs of shoes early last year, the North Carolina resident split a \$161 online purchase into four installments through a "buy now, pay later" service, in what seemed like a convenient deal.

Now, she admits she should have read the small print about missed payments.

When the buy now, pay later (BNPL) provider tried to withdraw a payment from Garrett's bank account a few months later, she didn't have enough funds to cover it. Soon after, the 42-year-old was charged \$40 in penalties and her credit score dropped 10 points to 650, a reading generally classified as 'fair'.

"It's important for consumers to always read the fine print and we don't always do it," said Garrett, a community organizer from Charlotte.

So-called buy now, pay later services - offered by providers such as Affirm Holdings Inc, Klarna, Afterpay Ltd and PayPal Holding Inc's "Pay In 4" - have blossomed across retail websites during the coronavirus pandemic as people have turned more to shopping online.

Yet the ease with which many shoppers can make purchases is worrying some regulators around the world, who fear consumers may be spending more than they can afford.

Nearly 40% of U.S. consumers who used "buy now, pay later" have missed more than one payment, and 72% of those saw their credit score decline, according to a study by Credit Karma, which offers customers credit score checking for free.

The study, conducted for Reuters, surveyed 1,038 adult consumers in the United States to gauge interest in "buy now, pay later" and found 42% of respondents had used the service before.

"The percentage of consumers missing payments is remarkable and not as low as you would expect," said Gannesh Bharadhwaj, general manager for credit cards at Credit Karma.

"When you make something so convenient, people may not be really thinking, 'Do I have the budget? Can I afford this payment?' You get more of that impulse-shopping behavior that leads to realizing they may not be able to make the payment." A lower credit score signals to lenders that a consumer may be higher risk and makes it harder for the consumer to borrow, whether to secure a mortgage or a new credit card. It can even make it more

difficult for a consumer to set up utility accounts or find housing, as landlords will generally conduct credit score checks before renting out apartments.

Management consultants Oliver Wyman estimate BNPL firms facilitated between \$20 billion-25 billion in transactions in the United States last year, although analyst estimates on the size of the BNPL industry vary because it is relatively new and some of the companies are private. Individually, they described explosive growth last year as their services became more prevalent.

Australia-based Afterpay said it saw active U.S. customers more than double to 6.5 million in the fiscal year ended June 30,

classified as fintech companies, should be subject to stricter rules more like banks, some regulators say.

It is unclear how buy now, pay later fits into U.S. regulations because the companies that offer these services do not have bank charters, some do not charge interest and laws vary by state. However, some experts expect the sector to come under more scrutiny during the Biden administration.

"One of the questions with the new administration is, what stance will the Consumer Financial Protection Bureau take going forward? which we expect to be more aggressive," said Mark Palmer, financials analyst at BTIG Research.



A shopper wearing a protective mask tries on clothes at a retail store following the outbreak of the coronavirus disease, in New York City, New York.

REUTERS/FILE

2020, and its sales more than tripled in the July-September quarter from a year earlier.

Over half of Afterpay's customers in the United States are millennials, aged 25 to 40 years-old, it said.

BNPL models vary, with some companies earning most profits by collecting fees from merchants at the point of sale, and others charging interest and late fees to consumers. They say their services help merchants to boost sales and consumers to buy things they need, and cause less financial damage than credit cards because of restrictions they impose.

Nonetheless, regulators in Britain and Australia are reviewing or tightening rules around the industry. BNPL service providers,

San Francisco-based Affirm saw its revenue rise 93%, to \$509.5 million, in the fiscal year that ended in June. It allows shoppers to split up purchases in terms ranging from six weeks to four years, with interest rates of 0 to 30%.

Affirm shows customers how much a loan will cost in dollar terms and does not charge late fees or compound interest. Although missed payments can affect credit scores, Affirm says it has been working with borrowers who fell on hard times during the pandemic.

"We approve borrowers only for what they can comfortably afford to repay," said Silvija Martincevic, Affirm's chief commercial officer. "The reason our technology is

significant is that we use machine learning to make underwriting decisions." At Australia's Afterpay, customers are barred from using its services after they miss a payment.

The company says 95% of its transactions globally are paid back on time and late fees contribute less than 14% of the company's total income.

PayPal 'Pay in 4' service, launched widely across the United States in November, allows customers to split purchases ranging from \$30 to \$600 in four interest-free payments. Late fees may apply for missed payments, depending on the user's state of residency, according to its website.

The PayPal 'Pay in 4' product in the United States does not report trades or late fees to the credit bureaus, said Greg Lisiewski, PayPal's global vice president of Global Pay Later.

"We are working with the industry and the consumer credit bureaus to develop the appropriate framework," he said.

Sweden-based Klarna saw fast growth over the past year, especially purchases in the \$100-\$200 range, said its U.S. head, David Sykes.

Most of Klarna's loans are small, of short duration and interest-free, which is safer for customers than credit cards, he said. Customers can delay one payment without a penalty. Late fees vary by state in line with regulation, up to a maximum of \$21 and the company is rolling out a 25% cap.

"No one is getting buried in debt with Klarna," Sykes said. "We aren't making multi-year loans on a car or a house." Smaller loans with shorter durations do have benefits, but they are not risk-free, experts said. Customers may be taking on more debt than they can handle, even if it comes in bite-sized portions.

Tamika Rivera, a 35-year old insurance agent from Springfield, Massachusetts, uses multiple buy now, pay later services, and has missed payments. In one case, she did not have enough money to cover a \$43 sweater purchase, which resulted in a \$35 overdraft fee from her bank.

"These services are convenient but there are some negative things that can happen," Rivera said.

Alan McIntyre, head of Accenture's global banking practice, says the credit impact of the buy now, pay later trend remains to be seen.

"The optimistic take is that millennials don't want to get into debt and they want to build a budget better this is deferred debt and you are not tempted to roll it over," he said.

Shell, Mitsubishi unit Eneco to supply wind power to Amazon's European facilities

REUTERS, Tokyo

Royal Dutch Shell and renewables firm Eneco, owned by Japan's Mitsubishi Corp, will provide Amazon.com Inc's European facilities with electricity from an offshore wind farm, they said on Monday.

Retail giant Amazon, which faces pressure from environmental activists over its carbon footprint, has vowed to be net carbon neutral by 2040. Starting in 2024, it will off-take 380 megawatts (MW) of capacity from the Hollandske Kust Noord offshore wind farm, which is being built jointly by Shell and Eneco, the two energy firms said without disclosing financial details.

Eneco will provide 130 MW and Shell 250 MW under the deal, Shell said in a separate statement.

Amazon was not immediately available for comment.

Hollandske Kust Noord, located off the Dutch coast, will have a total capacity of 759 MW and is scheduled to become operational in 2023, when it will generate at least 3.3 terawatt hours (TWh) per year, Eneco said.

Mitsubishi, along with Japanese utility Chubu Electric Power Co Inc, bought Eneco last year in a deal valuing the Dutch energy firm at 4.1 billion euros (\$4.9 billion).

Japanese trading houses as well as global oil and gas majors such as Shell, are increasingly focusing on cleaner energy as they join a global shift away from coal and other fossil fuels.

Amazon, which delivers about 10 billion items a year and has a massive transport and data centre footprint, has faced protests from environmental activists and pressure from its employees to take action on climate change.

Germany to spend 6b euros to boost housing energy efficiency

REUTERS, Berlin

Germany is supporting steps to increase energy efficiency in buildings, with subsidies and incentives worth 6 billion euros (\$7.2 billion) this year, the economy minister said on Monday.

The measures supported by the federal government include programmes to modernise existing buildings with better insulation and more efficient heating systems, Peter Altmaier said.

"The building sector is an important factor if we want to make the energy transition a success," he told an online conference organised by the economy ministry.

The push should help the housing sector in Europe's most populous country move towards its goal of becoming climate-neutral by 2050, and with it enable Germany to reach its wider climate protection targets over the next three decades. The modernisation drive could, however, increase the cost of living for Germans as, by law, landlords can pass on the cost of investments by raising rents.

Parties in Chancellor Angela Merkel's coalition government are currently quarrelling about whether to protect tenants from massive rent hikes by forcing landlords to shoulder a certain portion of modernisation investments.

US 10-yr yield rises to 1.2pc, inflation expectations build

REUTERS, London

A U.S. Treasury selloff gathered pace on Monday, with 10-year yields rising to 1.20 per cent and inflation expectations at the highest since 2014 as investors priced an acceleration in economic recovery thanks to President Joe Biden's spending package.

The \$1.9 trillion stimulus package looks likely to be approved by Congress, bypassing Republican roadblocks. Friday's lacklustre labour data appeared to highlight the urgency of getting state support to the economy.

Ten-year borrowing costs extended

their rise to the highest since last March at 1.2 per cent, while 30-year yields touched 2 per cent for the first time since mid-February 2020.

Ten-year yields are up around 30 bps since end-2020.

Rabobank analysts said the catalyst appeared to be Treasury Secretary Janet Yellen's comments "where she cited her expectation that, with sufficient fiscal support, the U.S. should be at full employment in 2022".

The Treasury curve steepened further, with the gap between 2- and 10-year yields now at its widest since early-2017 at around 108.4 bps.

The 5-year/30-year Treasury yield gap widened to around 151.50 bps, a

new October 2015 high.

Inflation expectations have been steadily rising in recent weeks and on Monday, 10-year breakeven inflation rate rose briefly above 2.20 per cent, the highest since 2014.

Investors will be closely watching inflation data due on Wednesday. Prices had increased 0.4 per cent in December.

"Inflation is becoming a prominent theme with a growing suspicion that its rise could be larger and longer-lasting than the Fed currently anticipating," ING Bank told clients.

The moves haven't yet spooked global equity markets which hit a record high on Monday.

Government of the People's Republic of Bangladesh
Office of the Executive Engineer
Education Engineering Department
Chattogram
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This is an online tender, where only e-Tender will be accepted in the National e-GP Portal and no offline/hard copies will be accepted. To submit e-Tender, registration in the National e-GP System Portal (<http://www.eprocure.gov.bd>) is required. The fees for downloading the e-Tender documents of following packages from the National e-GP System Portal have to be deposited online through any registered bank's branches.

Tender Notice No. EE/EED/Ctg/e-Tender/2020-2021/40 **Date: 04.02.2021**

Sl. No.	Package No.	Name of works	Tender ID & procurement method	Last date & time of selling documents	Last date & time of submission documents
01	Ctg/New 3000 School/Dev/20-21/PW24	Construction and Driving of Pre-Cast Pile Works at Halihsahar Meher Afzal High School, Bandar, Chattogram.	543951 OTM	22-Feb-2021 16:00	23-Feb-2021 15:30
02	Ctg/New 3000 School/Dev/20-21/PW25	Construction and Driving of Pre-Cast Pile Works at Barik Mia Multilateral High School, Bandar, Chattogram.	543952 OTM	22-Feb-2021 16:00	23-Feb-2021 15:30
03	Ctg/New 3000 School/Dev/20-21/PW26	Construction and Driving of Pre-Cast Pile Works at Alhaj M.A Salam High School, Double Mooring, Chattogram.	543953 OTM	22-Feb-2021 16:00	23-Feb-2021 15:30
04	Ctg/New 3000 School/Dev/20-21/PW27	Construction and Driving of Pre-Cast Pile Works at Balua High School, Patiya, Chattogram.	543954 OTM	22-Feb-2021 16:00	23-Feb-2021 15:30
05	Ctg/New 3000 School/Dev/20-21/PW28	Construction and Driving of Pre-Cast Pile Works at Saral Amiria High School, Banshkali, Chattogram.	543955 OTM	22-Feb-2021 16:00	23-Feb-2021 15:30

Further information and guidelines are available in the National e-GP System Portal and from e-GP help desk (helpdesk@eprocure.gov.bd).

Md. Zalal Uddin Chowdhury
Executive Engineer
Education Engineering Department
Chattogram

GD-270

Government of the People's Republic of Bangladesh
College Education Development Project (CEDP)
Govt. P.C. College, Bagerhat
Website: pccollege.edu.bd
Issued Ref.: [IDG/PCC/2020-21/OTM\(W-01\)](#) February 09, 2021

Invitation for Tenders

1	Ministry/Division	Ministry of Education.		
2	Agency	University Grants Commission/ National University.		
3	Procuring entity name	Principal, Govt. P.C. College, Bagerhat.		
4	Procuring entity code	N/A.		
5	Procuring entity district	Bagerhat.		
6	Invitation for	Works.		
7	Invitation Ref. No.	GSAC/Works/CEDP/W-1/2020-2021/03		
8	Date	February 09, 2021.		
KEY INFORMATION				
9	Procurement method	Open Tendering Method (National).		
FUNDING INFORMATION				
10	Budget and source of funds	Development Budget (Government & IDA Credit).		
11	Development partners	International Development Association (IDA), World Bank.		
PARTICULAR INFORMATION				
12	Project code	224017200		
13	Project name	College Education Development Project (CEDP).		
14	Tender Package No.	W-1.		
15	Tender package name	Renovation and Refurbishment of common room, classrooms, female wash room, mother corner etc.		
16	Tender publication date	09/02/2021		
17	Tender last selling date	24/02/2021, Time: 05.00pm.		
18	Tender closing date and time	25/02/2021, 2.00pm.		
19	Tender opening date and time	25/02/2021, 3.00pm.		
20	Name & address of the office	Govt. P.C. College, Bagerhat.		
	Selling tender document			
	Receiving tender document			
	Opening tender document			
21	Place /date/time of pre-tender meeting (optional)	Shall not be held.		
INFORMATION FOR TENDERER				
22	Eligibility of tenderer	1. The minimum number of years of general experience of the tenderer in the construction works as prime contractor or subcontractor or management contractor shall be 5 years. Years counting backward from the date of publication of IFT in the newspaper 2. The minimum specific experience as a prime contractor or subcontractor or management contractor in the building construction/renovation/refurbishment/extension works of at least 01 (one) contract(s) of similar nature, complexity and methods/construction technology successfully completed within the last 05 (five) years with a value of at least Tk. 20,000,000.00 (twenty lac) only. Years counting backward from the date of publication of IFT in the newspaper. 3. The required average annual construction turnover shall be greater than Tk 32,000,000.00 (thirty-two lac) over the last 3 years. 4. The minimum amount of liquid assets i.e. working capital or credit line(s) of the tenderers shall be Tk 20,000,000.00 (twenty lac) only. 5. Other criteria mentioned in TDS.		
23	Brief description of works	Renovation and Refurbishment of common room, classrooms, female wash room, mother corner etc.		
24	Brief description of related services	Related service shall be in accordance with Section 4: Particular Conditions of Contract, Section 6: Bill of Quantities and Section 7: General Specification of the tender.		
25	Tender document price	BDT 1,500.00 (one thousand five hundred).		
26	Tender name	Location	Tender security amount (Tk)	Completion time in months
	Renovation and Refurbishment of common room, classrooms, female wash room, mother corner etc.	Govt. P.C. College, Bagerhat	60,000.00 (sixty thousand)	03 months
27	Name of official inviting tender	Professor Md. Shakhlur Rahman.		
28	Designation of official inviting tender	Principal.		
29	Address of official inviting tender	Govt. P.C. College, Bagerhat.		
30	Contact details of official inviting tender	Tel: 0468-62324	Fax: N/A	E-mail: pccollege1918@gmail.com
31	The procuring entity reserves the right to accept or reject all tenders without assigning any reason whatsoever.			

Professor Md. Shakhlur Rahman
ID-8541
Principal
Govt. P.C. College
Bagerhat

GD-269



Bashundhara Group Managing Director Sayem Sobhan Anvir's son Ahmed Walid Sobhan inaugurates commercial operations of Bashundhara Bitumen Plant. Ten dealers were supplied bitumen from its plant at Pangaon of Keraniganj in Dhaka on Sunday morning.

Govt to facilitate adaptation to 4th industrial revolution: PM's adviser

STAR BUSINESS DESK

Bangladeshis are very enterprising and the government will facilitate entrepreneurs and new generation leaders to adapt to the 4th and 5th industrial revolution and take the country forward, said Salman F Rahman recently.

The prime minister's private industry and investment adviser was virtually addressing as chief guest the closing ceremony of a two-day workshop titled "Visionary Leadership for Growth, Strategy & Governance" at Chattogram starting last Friday.

It was part of a Future of Business Leadership programme organised by the Institute of Business Administration (IBA) at the University of Dhaka, The Chittagong Chamber of Commerce & Industry (CCCI), Bangladesh Center of Excellence (BCE) and Citibank NA Bangladesh, says a press release.

The programme aimed to prepare next generation business leaders of Chattogram with knowledge to sustainably grow their endeavours in

a changing global context.

"The CCCI in continuation to its commitment to complement the government efforts to realise the national vision of becoming a developed country by 2041, has taken this step to strengthen the business leadership at Chattogram," said CCCI President Mahbubul Alam.

"To truly leverage the potential of Chattogram as an attractive investment and trade destination, the next generation business leaders of Chattogram must be well prepared," he said.

"...and aware of the changing global economic context and their role in achieving the national vision and only then their respective organisations can become sustainable in the long run," he added.

"Leaders are the brain of an organisation that guides other functions to operate efficiently and therefore if the leaders aren't maximising their ability, the long term sustainability of an organisation is under imminent threat," said IBA Director Prof Syed Ferhat Anwar.

"They must stay ahead of the changes that are taking place but at the same time link themselves with the human values," he said.

Sharing insights on leadership transitions in family businesses, Tapan Chowdhury, managing director of Square Pharmaceuticals, said, "One key component... is to ensure all the stakeholders, such as employees and partners, are in sync on a long term perspective."

Dr Hillol Bala from Indiana University spoke on disruptive technology and digitalisation. Citi Country Officer and Managing Director N Rajashekar also shared his thoughts.

The workshop was participated by 17 business leaders of Chattogram from 14 organisations collectively employing over 60,000 people directly.

They included the CCCI directors and representatives of Base Textiles, CA Property Development, Confidence Cement, Lub-rref Bangladesh, Thianis Apparel, Kabir Steel Re-Rolling Mills, M Alam Company and Ranks FC Properties.

Nagad gets new CEO

STAR BUSINESS DESK

Bangladesh Post Office's digital financial service arm Nagad has taken in as chief executive officer (CEO) Rahel Ahmed, the former managing director and CEO of Prime Bank.

He served the private commercial bank for three years in the top management team on joining as deputy managing director in 2015, says a press release.

Ahmed has over two decades' experience in the banking industry at home and abroad.

He started his career as a management trainee at ANZ Grindlays Bank in 1995 and later served in Standard Chartered Bangladesh, Emirates Islamic Bank and First Gulf Bank PJSC in the United Arab Emirates.

Ahmed obtained an MBA from Maastricht School of Business in the Netherlands.

Nagad says it now serves about 3 crore active clients, and transacts about Tk 300 crore on an average every day, disbursing various government allowances among the poor and marginalised communities and offering cash-out funds at half the market rate.

'Illegal courier service' in guise of factory machinery import

FROM PAGE B1

The addresses were mostly in Narayanganj, Sylhet, Brahmanbaria and Noakhali.

The Daily Star contacted one of the recipients, one Parvej Mia in Brahmanbaria.

"My brother Ashraf is supposed to send some products from South Korea. However, I do not know how it was sent," said the person at the other end of the call.

"My brother sent us some clothes and household goods several times and also pays the courier cost and customs duty for sending these goods. But I don't know if it comes through ports or airports," said the receiver.

Another receiver, "Shah Jahan" in "Sylhet", said to have no knowledge about it.

His son Alam, the sender, later made contact. He said to have paid a Bangladeshi expatriate in South Korea Tk 1 lakh to deliver his goods.

"If these products were sent through cargo flight or foreign post office, it would have cost me around Tk 2 lakh, including tax," he said.

"I sent the goods in containers to reduce my cost. I have sent products many times earlier through the seaport but then there was no problem," he frankly admitted.

He claimed to not know that this was illegal.

Rezaul Karim, an assistant commissioner of the customs house, told The Daily Star that the discovery was made last Thursday.

Asked whether any illegal courier service was at play, he said, "We will look into how and for what purpose these products came here."

He also said legal steps was being taken against those involved, including the importer.

The owner of Sohel Textile Mills, Subuj Hossain, and proprietor of Mollika Traders did not respond to repeated calls of this correspondent.

Hyundai, Kia say Apple car deal now off, see \$8.5b wiped off market value

REUTERS, Seoul

South Korea's Hyundai Motor Co said on Monday it is not now in talks with Apple Inc on autonomous electric cars, just a month after it confirmed early-stage talks with the tech giant, sending the automaker's shares skidding.

Wiping \$3 billion off its market value, Hyundai's stock slid 6.2 per cent. Shares in its affiliate Kia Corp, which had been tipped in local media reports as the likely operational partner for Apple, tumbled 15 per cent - a \$5.5 billion hit.

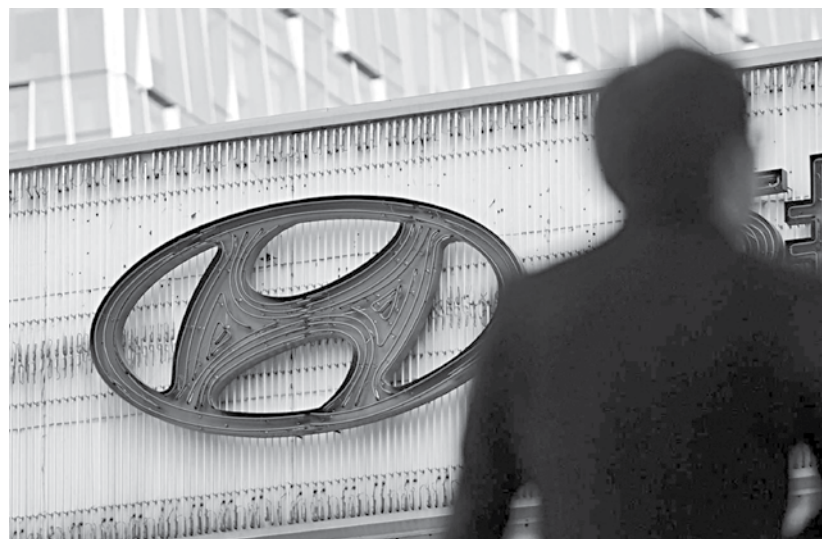
The announcement brings the curtain down on weeks of internal divisions at Hyundai Motor Co Group - parent to both automakers - about the potential tieup, with some executives raising concerns about becoming a contract manufacturer for the U.S. tech giant in a tieup reminiscent of electronics firm Foxconn's role in making device for Apple like the iPhone.

"We are receiving requests for cooperation in joint development of autonomous electric vehicles from various companies, but they are at early stage and nothing has been decided," the automakers said on Monday, in compliance with stock market rules requiring regular updates to investors regarding market rumours.

"We are not having talks with Apple on developing autonomous vehicles." Kia shares had jumped 61 per cent since Hyundai initially confirmed a local media report early in January that Apple and Hyundai were in discussions to develop self-driving electric vehicles by 2027 and develop batteries at U.S. factories operated by either Hyundai or Kia.

"Apple and Hyundai are in discussion, but as it is at early stage, nothing has been decided," Hyundai said, before releasing subsequent statements that removed all mentions of Apple but said Hyundai was receiving electric car cooperation requests from parties it didn't identify.

As recently as last week, media outlets including CNBC reported that



South Korean auto giant Hyundai and its affiliate Kia have denied they are in talks with Apple for a joint project to make autonomous vehicles.

a deal was close to being finalised. One South Korean report said the two companies were set to sign the deal on Feb. 17. Hyundai is traditionally known for its reluctance to work with outsiders, making engines, transmissions and even its own steel in-house in a vertically integrated supply chain as South Korea's second-largest conglomerate.

Although shares in Kia and Hyundai had surged on news of the talks, internal opposition to becoming an Apple contract manufacturer was considerable, according to people familiar with the matter.

"We are agonising over how to do it, whether it is good to do it or not," a Hyundai executive aware of internal discussions on the tie-up told Reuters in January. "We are not a company which manufactures cars for others," he said, speaking on condition of anonymity.

Apple and Hyundai first started talks over a car partnership in 2018, another person familiar with the matter previously told Reuters. But progress was hampered by the South Korean automaker's reticence on

working with outsiders, the person said.

Reuters reported in December that Apple was moving forward with autonomous car technology and aimed to produce a passenger vehicle that could include its own breakthrough battery technology as early as 2024.

Apple, known to keep product plans under tight wraps, has never acknowledged talks with the automaker about building vehicles, and wasn't immediately available for comment outside business hours in the United States.

Analysts said talks might have collapsed over leaks of the partnership plan to media, or over possible insistence by Apple that Hyundai's role in any tieup would be that of an equipment manufacturer, rather than a strategic partner.

"With numerous news reports over discussions between the two companies, which should have been held to non-disclosure agreements, it would have been uncomfortable" said Kwon Soon-woo, an analyst at SK Securities.

DBBL keeps savings accounts unchanged

STAR BUSINESS REPORT

Dutch-Bangla Bank Ltd has decided to keep the savings account unchanged given the request of its customers.

The lender earlier decided to divide its savings accounts into two products by keeping unchanged the salary and student accounts, according to a press release issued by the bank.

As per the decision, the bank decided that clients would have to keep deposit at least Tk 5,000 at their accounts instead of the previous balance of Tk 500, a DBBL official said.

If the deposit amount of a client decrease to below Tk 5,000, the account will then belong to another saving product's category.

The accountholders, whose deposit is below Tk 5,000, will be allowed to withdraw a maximum amount of Tk 20,000 per day from ATMs against the previous limit of Tk 50,000, the official said.

The clients, whose deposit is Tk 5,000 and above, will be permitted to withdraw Tk 80,000 per day.

The bank started to send the letter since last month informing the issue to its clients.

But, the bank backtracked from its decision given the request of its customers, the press release said.

Raw jute prices hit new high

FROM PAGE B1

"During the jute harvesting period, I bought 250-300 maunds of raw jute daily but now, I cannot buy more than 70 maunds a day at this time," he said.

Md Khokon Matabar, another jute trader of Kanaipur bazar under Faridpur sadar upazila, said raw jute was sold at Tk 2,200-2,400 per maund in local markets during the harvesting season.

"It is really unthinkable that raw jute is being sold at Tk 5,300 per maund," he said.

However, traders warn that prices are likely to go up further.

There are some dishonest businessmen, who stocked raw jute during the harvesting season.

"Now, they are getting profit from the jute," he added.

Production of raw jute was very low last year, said Omar Ali Mollah, a jute grower at Faridpur sadar upazila. He got only 50 maunds of jute from more than 3 acres last season compared to 70 maunds the previous season.

Mollah said he sold all his produce at Tk 2,400 per maund after harvesting.

"Farmers cannot profit from the current prices," he added.

Contacted, DoJ Director General Khondoker said his office has asked the district administration to conduct mobile court drives to reduce hoarding and keep jute prices stable.

"Our field offices conduct drives through mobile courts to curb illegal stocking," he said.

The DoJ had earlier told the local administration that no registered traders would be able to hold more than 1,000 maunds a month and none without licence could be involved in jute trading.

Post-LDG export loss may create new poor

FROM PAGE B1

The strategies may include prudent macroeconomic management, including flexible management of the exchange rate, trade reforms to promote export diversification, finding new markets for export items based on bilateral and regional free trade agreements, and boosting competitiveness.

The country should attract foreign direct investment by reducing the cost of doing business and improving infrastructure and human capital.

Furthermore, trade policy capacity must be strengthened to prepare Bangladesh to comply with

the provisions of the World Trade Organisation following the expiry of the special treatment as an LDC.

Zahid Hussain, a former lead economist of the World Bank's Dhaka office, said the pandemic severely affected businesses, workers, migrants, and their households.

The export sector faced major setbacks as international orders were suspended, affecting around four million workers, mainly female in the garment industry alone.

Vulnerable workers in the agriculture and urban informal sectors also lost earnings. All surveys done since the onset of the pandemic

suggest large increase in the number of poor, Hussain said.

There is a pressing need to protect the livelihoods of both formal and informal workers, he said.

"Beyond the crisis, the government needs to move structural reforms forward to strengthen social protection, including the establishment of a comprehensive national pension system as envisioned in the National Social Security Strategy adopted in 2015."

"It will be important to make sure the assistance is speedily and efficiently delivered to the targeted microenterprises."

On the basis of the two audits, the regulator served a show-cause notice, saying there were breach of rules and regulations in 22 audit objections.

In some cases, the company's reply on the audit observations was not accepted, the notice said, adding that 25 of the audit observations proved that policy-holders' interest had been impacted. It asked the insurer to explain why it should not suspend Delta's board for four months and appoint an administrator.

Delta Life Insurance accuses IDRA chair of seeking bribe

FROM PAGE B1

On February 27 last year, Delta sought the basis from the IDRA for actuarial valuation, which is required to calculate the bonus for policyholders and dividends for shareholders.

On September 23, the insurer sought approval from the regulator to renew the contract of the CEO after securing consent from the board.

"Moreover, the regulator's chairman called a Delta employee upon to his house and demanded Tk

2 crore initially. Then, he asked Tk 1 crore before bringing it down to Tk 50 lakh," Ahsan said.

He also threatened that he would suspend the board and appoint an administrator if the demand is not met, the insurer said in a press release.

Previously, the insurance regulator appointed Fames & R Chartered Accountants as the investigative auditor for Delta after Howlader Yunus & Co carried out a special audit into the company in 2019.

Investors flustered by sudden drop in index

FROM PAGE B1

Most of Halim's investments were in Beximco Pharmaceuticals, Beximco, Robi Axiata and Bangladesh Submarine Cables.

"My portfolio is showing unrealised losses for mainly three companies, which have been falling suddenly," he said.

Asked why he bought the shares of the companies in particular, he acknowledged that he was led by speculation.

"When I saw the companies were rising and people said these stocks would rise further, I planned to buy them," Halim said, adding that Beximco and Beximco Pharmaceuticals have the potential to make higher profits due to their participation in the Covid-19 vaccination programme.

On November 5, a trilateral memorandum of understanding was signed among the government of Bangladesh, the Serum Institute of India and Beximco Pharmaceuticals to collect and distribute three crore doses of Covid-19 vaccines from the Indian vaccine-maker.

The three crore doses will be delivered in phases with 50

lakh doses coming every month, according to the agreement. The first phase of the vaccination programme has already started in the country.

Robi is a multinational telecommunication company and it has the potential to grow, Halim said. "So, I invested in these stocks."

New companies are always a risky bet and a sustainable price takes time to establish.

"But many of our investors are chasing debutant companies and then they incur losses," a stock broker said.

Investors sometimes fail to see the justifiable price of a company if it has potential, he said.

"Although a company has potential, investors should see its proper valuation because a high price of a well-performing company may cause losses."

Robi's share rose around seven times to Tk 70 within less than a month of its trading debut on December. It fell to Tk 39.90 yesterday, DSE data shows.

The shares of Beximco rose four times and Beximco Pharmaceuticals increased 88 per cent. Both fell 22

per cent and 40 per cent respectively in the last few days.

Turnover, an important indicator of the stock market, rose 2.37 per cent to Tk 789 crore yesterday.

At the DSE, 23 stocks rose, 236 declined and 91 remained unchanged.

Anlima Yarn Dyeing topped the gainers' list, rising 6.40 per cent followed by Savar Refractories, Matin Spinning, PHP First Mutual Fund, and Alhaj Textile.

Beximco topped the turnover list with its shares worth Tk 140 crore changing hands, followed by Beximco Pharmaceuticals, British American Tobacco Bangladesh, Robi Axiata and Lanka Bangla Finance.

Shyampur Sugar shed the most, dropping 9.69 per cent, followed by Aman Feed, CAPM IBBL Mutual Fund, BD Thai Aluminum, and Prime Insurance.

The port city bourse also dropped. The CASPI, the general index of the Chittagong Stock Exchange, fell 396 points, or 2.49 per cent, to 15,519.

Among the 228 traded stocks, 16 rose, 176 dropped and 36 remained the same.

What recovery? Clothes retailers cut orders while factories fight to survive

REUTERS, Lisbon

Clothes retailers in Europe and America sit on excess inventory and cut back on spring orders. Sourcing agents face late payments. Garment factories in Bangladesh are on the rack.

The global apparel industry, reeling from a punishing 2020, is seeing its hopes of recovery punctured by a new wave of Covid-19 lockdowns and patchy national vaccine rollouts.

Some major retailers are still nursing last year's clothes, which would have been sold off in clearance sales in normal times. British chain Primark, for example, told Reuters it was housing around 150 million pounds (\$205 million) worth of 2020 spring/summer stock and 200 million pounds from autumn/winter.

In an indication of the scale of the backlog, consultancy McKinsey says the value of unsold clothing worldwide, in stores and warehouses, ranges from 140-160 billion euros (\$168-192 billion) - more than double normal levels.

Britain's Marks & Spencer and Germany's Hugo Boss said they had placed smaller orders than usual for this year's spring collection.

Retailers are keeping volumes small and lead times tight, according to Ron Frasc, former president at Saks Fifth Avenue who is now operating partner at private equity firm Castanea Partners, which works with a number of apparel brands.

"Most of the brands now are pretty tight on shipping and the factors are very tight. I think everyone was very conservative with their purchasing," he said.

"I know many have been slow paying. That is for sure." Indeed, Hong Kong-based sourcing agent Li & Fung, which manages more than 10,000 factories in 50 countries for retailers including global players, told Reuters that some retailers had requested later payment terms, but declined to provide specifics.

The pain is consequently flowing to major garment manufacturing centres like Bangladesh, whose economies rely on textile exports. Factories are struggling to stay open.



Garment employees work in a sewing section of Fakhruddin Textile Mills in Gazipur.

Fifty factories surveyed by the Bangladesh Garment Manufacturers and Exporters Association said they had received 30 per cent fewer orders than usual this season, as pre-Christmas lockdowns in much of Europe followed by another clampdown in January hit their businesses hard.

"Orders usually arrive three months in advance. But there are no orders for March," said Dhaka-based factory owner Shahidullah Azim, whose clients include North American and European retailers.

"We are operating at 25 per cent of capacity. I have some orders to run the factory till February. After that, I don't know what future holds for us. It's difficult to say how we will survive." Miran Ali, who represents the Star Network, an alliance of manufacturers in six Asian countries, and himself owns four factories in Bangladesh, faces similar problems.

"At this point in time, I should

have been entirely full until March at least, and looking at a healthy quantity for autumn/winter coming in already. Across the board, that is coming slow," he told Reuters from the capital Dhaka.

"Brands are buying less from fewer people." Asif Ashraf, another factory owner in Dhaka who makes clothes for global retailers, said it was tough to adjust. "We've produced the fabric and we're ready to stitch the garments, but then they say the order is on hold."

With store closures threatening to carry into summer, some retailers are attempting to sell off as much of their excess stock as possible before placing new orders, textile recycling firm Parker Lane Group told Reuters.

CEO Raffy Kassardjian said his business went from processing an average of 1.5 million items of excess apparel per month to over 4 million in January, its busiest month ever.

Last year was dire for the clothing

industry, which saw sales slide by about 17 per cent versus 2019, according to Euromonitor. And the future is uncertain.

Estimates for 2021 range from pessimistic forecasts of a 15 per cent sales drop from McKinsey, to an 11 per cent recovery from Euromonitor.

So are there bright spots? Well, a lockdown pyjama boom is offering some minor relief.

"If you want to know what the Great British public is doing - it's wearing pyjamas again," Marks & Spencer CEO Steve Rowe said last month, while Hugo Boss alluded to the same phenomenon, saying it had "streamlined our range of classic business clothing and expanded the range of casual wear".

But that's cold comfort for some factory owners.

"Demand for pyjamas is at a life-time high," Ali in Dhaka acknowledged. "But not everyone can make pyjamas!"

Jashore's flower growers expect sales boom this month

MOHSIN MILON, Benapole

Traders at Gadhali flower market in Khulna's Jashore district aim to register sales of about Tk 25 crore from three upcoming events -- Pahela Falgun, Valentine's Day and International Mother Language Day.

This year, Pahela Falgun, which marks the first day of spring, coincides with Valentine's Day on February 14 while International Mother Language Day is observed on February 21.

Around Tk 15 crore worth of flowers have already been sold so far, according to traders, who enjoyed higher yields thanks to favourable weather this year.

Several villages across Jashore's Jhikargacha upazila are covered with 11 types of flowers, including roses, marigolds, jarbara, gladiolus and gypsy.

Flowers were cultivated on about 650 hectares of land in the region this season and although they are available in the market year-round, sales peak in February.

And when Valentine's Day and February 21 come around, the demand for flowers sees an exponential increase across the country.

"I recently brought 10,000 roses to the market and all were soon sold out," said Abu syed, a local farmer.

Flowers are cultivated on 10,000 hectares of land across eight upazilas of Jashore district with yearly sales amounting to about Tk 150 crore, according to the Department of Agricultural Extension.

Around 5,000 farmers in the Gadhali-Panisara area of Jhikargacha upazila cultivate various flowers on 6,000 hectares of land and these farmers meet

roughly 60-70 per cent of the country's total demand.

Flowers have been planted on 6,500 acres of land in Jhikargacha this year, according to Abdur Rahi, president of Bangladesh Flower Society.

However, flower production was badly disrupted in the region due to cyclone Amphan and the ongoing coronavirus pandemic.

But florists in the region started dreaming anew ever since August after finding different ways to survive the Covid-19 fallout.

During the two-month nationwide lockdown that began on March 26 last year, no one was able to continue doing business.

Of the 5,000 farmers based in Gadhali, just 55 received loans from the government's stimulus packages.

And so, many farmers took on debt in other forms, such as non-government organisations, in order to maintain their livelihoods.

But after a few months of hard work amid all the uncertainty, flowers began to blossom in the lands once again.

Of these, gladiolus has been cultivated on 272 hectares of land, nightshade on 165 hectares, roses on 105 hectares, marigold on 55 hectares, gerbera on 22 hectares and other flowers on 6 hectares.

Akhter Hossain, a flower trader of Gadhali, said at present flowers are being sold at a wholesale price of Tk 3-4 for each rose, Tk 300-400 per bundle of gypsy, Tk 14-15 per piece of gladiolus, Tk 8-10 per piece of gerbera and Tk 100-150 per 100-piece bundle of marigold.



Chinese demand helps German businesses weather pandemic



An employee works at the A3 and A4 production line of the German car manufacturer Audi, amid the spread of the coronavirus disease in Ingolstadt, Germany.

REUTERS, Berlin

Germany's industrial sector avoided a contraction in December despite coronavirus lockdowns at home and abroad as strong demand from China helped export-oriented manufacturers in Europe's largest economy weather the COVID-19 pandemic.

Industrial output was flat on the month after an upwardly revised increase of 1.5 per cent in the previous month, figures released by the Federal Statistics Office showed. A Reuters poll had forecast an increase of 0.3 per cent.

This was the first stagnation following seven consecutive months of expansions.

The main drag came from construction where output fell by 3.2 per cent. Looking at core manufacturing alone, output rose by 0.9 per cent on the month.

The upwardly revised November figure helped overall industrial output in the fourth quarter to increase by 6.1 per cent on the quarter.

"The German manufacturing sector has performed relatively well in recent months and that's mainly thanks to the well-running Chinese economy," VP Bank economist Thomas Gitzel said.

"If production in China is humming,

local production is also humming here," Gitzel said, adding that the German automobile industry with its premium cars was benefiting in particular from the good income situation in China.

DekaBank analyst Andreas Scheuerle also pointed to positive one-off factors in December related to the expiration of a temporary sales tax cut in January and British clients stocking up supplies in preparation for a possible no-deal Brexit.

In 2020 as a whole, production in the manufacturing sector tumbled by a calendar-adjusted 8.5 per cent on the year, in further proof of the wider economic devastation caused by the pandemic.

The economy ministry said the outlook for the industrial sector remained subdued given further development of the pandemic and supply bottlenecks in the semiconductor industry. A drop in industrial orders and a decline in business morale were clouding the outlook further, it added.

Data last week showed that orders for German-made goods fell more than expected in December, ending a seven-month streak of positive data as restrictions to contain the coronavirus dragged down demand from other euro zone countries.

GLOBAL BUSINESS

Kuaishou: China's \$160b livestreaming app for 'ordinary people'

AFP, Beijing

On Lu Kaigang's feed, sheets of tarp are transformed into haute couture as China's mountainous backdrop becomes his catwalk, a 22-year-old villager sashaying to fame via a video-sharing app for the everyman -- Kuaishou.

Lu is one of hundreds of millions of users uploading short clips to the app, which propelled its parent company to a \$5.4 billion initial public offering last week.

But while its competitor Douyin -- the Chinese version of TikTok -- is famed for trendy and typically urban influencers, Kuaishou reaches a different demographic, lassoing in migrant workers and rural Chinese.

Lu uses his colourful video stream to show how everyday materials can be turned into sophisticated clothing, and he has set up an in-app store on his profile.

That traction with a poorer but connected mass market known as "tu wei" in Chinese -- meaning "earthy" -- resonated on the Hong Kong stock exchange.

Shares in Kuaishou Technology, whose name means "quick hands", almost tripled on debut last Friday, bringing the company's value to \$159 billion.

On one channel, a user showcases "the daily life of an uncle born in the 80s" through simple homecooked food. Another demonstrates survival skills on a "deserted island", with the star making homespun toothpaste from nearby ingredients like cacti.

Kuaishou says it made a conscious decision to channel viewers to less famous content creators.

In a speech last year, vice-president Yu Jingzhong said 70 percent of Kuaishou's traffic was allocated to "ordinary people".

Yu said in the first nine months of 2019, more than 19 million people earned income through Kuaishou, many of them from poverty-stricken counties.

Kuaishou emerged around a decade ago, when investor Fisher Zhang met the company's founder Cheng Yixiao -- a former software engineer and developer at Hewlett-Packard.

At the time, Kuaishou was just a tool for making and sharing GIFs, short animated images. Zhang found a two million yuan (\$309,000) investment and the company was born, he said in a book on its origin story, "The Power to be Seen: What is Kuaishou".

They set about transforming Cheng's GIF-making tool into a platform hosting a community of users.

A third partner Su Hua -- a former engineer at Google China and Baidu -- soon came on board and put in place an algorithm to recommend content to users, and activity skyrocketed.

Cheng is now chief product officer, Su the CEO and Zhang a director of the company, which reported revenue of 40.7 billion yuan (\$6.3 billion) in the nine months ending last September. "Su Hua is a technology and algorithm-driven talent, and Yixiao is a very product-minded person. The two make a good team," Zhang recalls in the book.

As the Kuaishou app grew, so did ways to monetise its content.

Some users' pages contain in-app stores where users can buy everything from beauty products to cooking ingredients -- with Kuaishou taking a cut. But a majority of the company's revenues come from livestreaming, where viewers can buy virtual gifts for streamers during their shows -- making up 62 percent of total revenue in the first nine months of 2020 for the group, which takes a percentage.

The platform's business model, however, differs from that of TikTok and others, as it does not rely on direct advertising but on tipping.

This makes it "fundamentally a peer-to-peer

payment system", said Alex Capri, a research fellow at Hinrich Foundation.

That is an increasingly sensitive area in China, with rules tightened on livestreaming in November, banning underage users from giving virtual rewards on online live shows.

Kuaishou warned in its prospectus for the listing last week that "intensified government regulation" could constrict growth of its user base and "materially and negatively impact our business operations".

As Beijing pays closer attention to the country's tech sector, Kuaishou is also wading into a global environment fraught with geopolitical tensions.

Its Beijing-based rival ByteDance spent most of last year battling a potential US ban on TikTok after then-president Donald Trump raised national security concerns about the app.

Experts say Kuaishou may have to navigate similar issues with its overseas app Zynn, which is looking to take on TikTok, and already proving popular in the United States.

"The more Kuaishou adheres to regulatory requirements at home, the more they will be viewed as de facto state enterprises, particularly regarding issues of data privacy and security," Capri told AFP.



Shares in Kuaishou Technology, whose name means "quick hands", almost tripled on debut last Friday, bringing the company's value to \$159 billion.