

US retail sales fall as spending shifts back to services

REUTERS, Washington

US retail sales dropped more than expected in May, with spending rotating back to services from goods as vaccinations allow Americans to travel and engage in other activities that had been restricted by the Covid-19 pandemic.

Other data on Tuesday showed an acceleration in producer prices last month as supply chains struggle to meet demand that is being unleashed by the reopening of the economy. In addition to vaccinations, demand is also being fired up by trillions of dollars from the government and record-low interest rates.

"Activity decelerated likely on a shift from goods spending to services," said Rubeca Farooqi, chief US economist

at High Frequency Economics in White Plains, New York. "Despite the slowdown, sales are rising at a strong pace in the second quarter."

Retail sales fell 1.3 per cent last month, the Commerce Department said. Data for April was revised higher to show sales increasing 0.9 per cent instead of being unchanged as previously reported. Economists polled by Reuters had forecast retail sales declining 0.8 per cent.

Retail sales surged 28.1 per cent on a year-on-year basis.

During the pandemic, demand shifted to goods like electronics and motor vehicles as millions of people worked from home, switched to online classes and avoided public transportation.

More than half of eligible

Americans have been fully vaccinated, boosting demand for air travel, hotel accommodation, dining out and entertainment among other activities.

Restaurants and bars are the only services category included in the retail sales report. May's decline in retail sales was also due to a drop in receipts at auto dealerships. This reflected tight motor vehicles supply as a global semiconductor shortage hampers motor vehicle production.

Receipts at auto dealerships fell 3.7 per cent. Sales at electronics and appliance stores dropped 3.4 per cent, while receipts at furniture stores fell 2.1 per cent. There were also decreases in sales at sporting goods, hobby, musical instrument and book stores.

Sales at building material stores tumbled 5.9 per cent. Online retail sales slipped 0.8 per cent. Sales at clothing stores rose 3.0 per cent. Consumers also increased spending at restaurants and bars, leading to a 1.8 per cent rise in receipts. Sales at restaurants and bars are 70.6 per cent higher compared to May 2020.

Excluding automobiles, gasoline, building materials and food services, retail sales fell 0.7 per cent last month after a revised 0.4 per cent decrease in April. These so-called core retail sales correspond most closely with the consumer spending component of gross domestic product.

They were previously estimated to have dropped 1.5 per cent in April. Retail sales account for the goods component of consumer spending, with services such as healthcare, education, travel and hotel accommodation making up the other portion.



People shop for clothes at a Target retail chain in Westbury, New York, US.

Shocked by Covid deaths, young Indians rush for life insurance

REUTERS, New Delhi

Like many other twenty-somethings in India, Beverly Coutinho kept postponing buying a life insurance policy, until a surge in Covid-19 cases and deaths made her confront her own mortality.

"I saw people my own age dying, which prompted me to get life insurance immediately," says Ms Coutinho, a 24-year-old senior executive at a public relations agency in Mumbai. "I wouldn't want my family to be in situation where they have to scramble for funds if something happens to me."

The official count puts the number of deaths due to Covid-19 at 380,000, the third highest after the United States

and Brazil, though experts say India's numbers are grossly underestimated due to the low levels of testing for the virus and more people have probably died in India than anywhere else in the world.

When a devastating second wave of the pandemic peaked in India during April and May, the numbers of people aged between 25 and 35 buying term insurance was 30 per cent higher than in the previous three months combined, said PolicyBazaar, India's largest online insurance aggregator.

Term insurance purchases via online insurance aggregator InsuranceDekho's website rose 70 per cent in May compared with March.

Insurers did not reveal how many plans they sold citing business

confidentiality, but many said it was in the "high thousands".

"The current pandemic has led to higher awareness around the need for financial protection and the inadequacy of the current insurance coverage," Niraj Shah, chief financial officer of HDFC Life Insurance, said.

Mr Shah's firm said it had seen more demand for protection products by the under-35 age group since the pandemic first struck India, around 15 months ago.

Industry executives say enquiries about insurance plans have rocketed despite the second wave of infections subsiding, probably due to strong prospects of a third wave given the slow start India made to the mammoth task of vaccinating its people.

Financial, industrial stocks lift European shares to near record high

REUTERS

Gains in financial and industrial stocks lifted European shares on Wednesday, though the main equity index held off record highs on nervousness that the US Federal Reserve could lag later in the day when it plans to start unwinding its stimulus.

The pan-European STOXX 600 was up 0.2 per cent by 0745 GMT. If gains hold until the end of the day, the index will mark its longest gaining streak in three-and-a-half years.

The benchmark index has now risen for five straight weeks as investors bet a steady vaccination programme would jumpstart regional economic growth, but a recent rise in inflation has sparked concerns of a sooner-than-expected tightening in global monetary policy.

After dovish signals from the European Central Bank last week, the US Federal Reserve on Wednesday is expected to at

least flag the pending start of talks about when and how to exit from crisis-era policies put in place at the onset of the Covid-19 pandemic.

"The street is heavily positioned with the Fed in the transitory indication corner," said Jeffrey Halley, a market analyst at OANDA.

"The (Fed) is unlikely to rock the boat tonight, and if they did, it would be a massive surprise." In Europe, heavyweight industrial and financial stocks rose 0.5% each, while energy stocks tracked a jump in Brent crude to its highest since April 2019.

Technology shares, however, slipped 0.2 per cent as SAP fell 0.9 per cent, hit possibly by a disappointing profit forecast from US software rival Oracle Corp.

London's FTSE 100 led gains in the region even as data showed British inflation unexpectedly jumped above the Bank of England's 2.0 per cent target in May and looked set to rise further as the country reopens its economy from lockdowns.

Improve business climate to utilise trade ties

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Providing equal treatment for foreign investors in the local vaccination programme will be in line with the government's policy to promote a business-friendly environment, said the South Korean ambassador.

Salman F Rahman, the prime minister's private industry and investment adviser; Paban Chowdhury, executive chairman of Bangladesh Economic Zones Authority; Md Sirazul Islam, executive chairman of Bangladesh Investment Development Authority; Sultana Afroz, CEO of Public Private Partnership Authority; and Md Nazrul Islam, executive chairman of Bangladesh Export Processing Zones Authority, also participated in the event.

EU offers to help diversify exports

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Harry Verweij, the ambassador of Netherlands to Bangladesh, said Bangladesh's graduation from an LDC brings both opportunities and challenges.

"So, ensuring decent work for all locals has become a necessity for Bangladesh to solidify relations with the EU and Team Europe could help towards this end," he added.

Verweij went on to say that the Netherlands would soon launch an injury insurance scheme for garment workers in Bangladesh that could have a rippling impact in improving labour rights.

KM Abdus Salam, secretary of the labour and employment ministry, and Tuomo Poutiainen, country director of the International Labour Organisation, also spoke at the event.

MCCI sees recovery in Q4

FROM PAGE B1

Under these circumstances, just after the quarter under review, the country was unexpectedly hit by the pandemic's second wave with a gradual increase in daily positivity rates, it added.

The global economy has fallen into a recession again which will have an indirect impact. Therefore, performances of export, import, and remittances may not increase as expected, the reviews hinted.

Banks' provision shortfall widens

FROM PAGE B1

It has to set aside 100 per cent against classified loans of bad or loss category.

The provision situation may erode further as default loans may escalate in the coming days because of the ongoing business slowdown.

Between January and March, the shortfall increased due to the lacklustre performance of 11 banks, which faced a combined deficit of Tk 12,650 crore.

The banks are Agrani, BASIC, Janata, Rupali, Bangladesh Commerce, Dhaka, Mutual Trust, National, Social Islami, Standard and Bangladesh Krishi.

Some banks fared well during the quarter, preventing the shortfall from soaring further.

Some of the 11 banks have been facing a shortfall for years due to a lack of corporate governance.

The shortfall of the state-run banks stood at Tk 10,727 crore, which resulted from a wide range of financial scams. Janata Bank alone had a shortfall of Tk 5,255 crore, central bank data showed.

Md Abdus Salam Azad, managing director of Janata Bank, said his bank had recently secured a regulatory forbearance from Bangladesh Bank to keep the required provision in place.

"So, we are in a balanced position, and there is no reason to feel discomfort at this moment," he said.

The provision shortfall narrowed throughout 2020 when borrowers were granted moratorium support from the central bank due to the economic hardship brought on by the coronavirus pandemic.

Cotton waste recycling can save \$500m a year: study

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A circular economy is a systemic approach to economic development designed to benefit businesses, society, and the environment.

"Using the Reverse Resources technology platform, we have been able to map participants' textile waste to grasp its scale and quantify the economic opportunity of closing the loop," Marchionni said.

Nin Castle, chief project officer of Reverse Resources, said Bangladesh produced

arguably the most recyclable textile waste of any apparel producing country.

With the emergence of new and improved versions of existing recycling technologies, Bangladesh has a huge opportunity to scale its local recycling capacity and reduce its dependency on virgin raw materials.

"If a recycling industry is fostered now, it will enable the country not only to enjoy the obvious benefits of cost and carbon footprint reduction but also gain a massive competitive edge," Castle said.

Government of the People's Republic of Bangladesh
Office of the Project Director
Bangladesh Railway, Kamalapur, Dhaka-1217.

Invitation for Re-Tender (International)

1. Ministry/Division	: Ministry of Railways
2. Agency	: Bangladesh Railway
3. Procuring Entity Name	: Project Director, Name of Project: Construction of 3rd and 4th Dual Gauge Lines in Dhaka-Tongi section and Doubling of Dual Gauge line in Tongi-Joydebpur section including Signalling works.
4. Procuring Entity Code	: Not used at Present
5. Procuring Entity District	: Dhaka
6. Invitation for	: Design, Supply, Installation and Testing-Commissioning of Computer Based Interlocked Signaling system at 7 (Seven) stations including interlocking of selected level crossings and installation of optical fiber cable based telecommunication system for block operation and CTC interface work (Turnkey Works) in connection with construction of 3rd and 4th Dual Gauge Track in Dhaka-Tongi section and Doubling of Dual Gauge Track in Tongi-Joydebpur section.
7. Invitation References No.	: PD/DTJDL/RE-TENDER/WD2-1568
8. Date	: 12.06.2021
KEY INFORMATION:	
9. Procurement Method	: Open Tender Method (International) (One Stage Two Envelope Method)
FUNDING INFORMATION:	
10. Budget and Source of Fund	: Indian Line of Credit -1 (LOC-1) and GOB.
11. Development Partners	: Government of India through Exim Bank, India.
PARTICULAR INFORMATION:	
12. Project / Programme code	: 224089200
13. Project Name	: Construction of 3rd and 4th Dual Gauge Lines in Dhaka-Tongi section and Doubling of Dual Gauge line in Tongi-Joydebpur section including Signalling works of Bangladesh Railway.
14. Proposed Tender Package No.	: WD2
15. Proposed Tender Package Name	: Design, Supply, Installation and Testing-Commissioning of Computer Based Interlocked Signaling system at 7 (Seven) stations including interlocking of selected level crossings and installation of optical fiber cable based telecommunication system for block operation and CTC interface work (Turnkey Works) in connection with construction of 3rd and 4th Dual Gauge Track in Dhaka-Tongi section and Doubling of Dual Gauge Track in Tongi-Joydebpur section.
16. Tender Publication Date	: 17.06.2021
17. Tender Document Last selling Date	: 16.08.2021 (during office hours).
18. Tender Closing Date and Time	: 17.08.2021 Up to 12.00hrs BST
19. Tender Opening Date and Time	: 17.08.2021 At 12.30hrs BST
20. Name & Address of the Office(s)	: Address
Selling of Tender Document (Principal)	: Office of the Project Director, Outer Circular Road, Kamalapur, Dhaka-1217, Bangladesh.
Selling of Document (Others)	: Office of the Divisional Signal & Telecommunication Engineer (DSTE), Bangladesh Railway, Kamalapur, Dhaka, Bangladesh.
Receiving of Tender Document	: Office of the Project Director, Outer Circular Road, Kamalapur, Dhaka-1217, Bangladesh.
Opening of Tender Document	: Office of the Project Director, Outer Circular Road, Kamalapur, Dhaka-1217, Bangladesh.
21. Place/Date/Time of Pre-Tender Meeting	: Conference Room 'Meghna' (5 th Floor), Railbhaban, 16 Abdul Gani Road Dhaka. Date & Time : 17.07.2021 at 11:00 hrs BST. (Physical / Video Conferencing)
INFORMATION FOR TENDERER:	
22. Eligibility of Tenderer	: Only Indian Firm (s) or Joint Venture of Indian Firms having qualifying criteria stated in the tender document.
23. Brief Description of Works	: Design, Supply, Installation and Testing-Commissioning of Computer Based Interlocked Signaling system at 7 (Seven) stations (Dhaka, Tejgaon, Dhaka Biman Bandar, Tongi, Dhirasram and Joydebpur) • Interlocking of selected level crossings and • Installation of Optical Fiber Cable based Telecommunication system for block operation and • CTC interface work.
24. Brief Description of Related Services	: a) Construction of Railway Signalling Equipment building. b) Provision of related arrangement for uninterrupted train operation service during execution of the work c) Service during Warranty and Maintenance Support
25. Price of Tender Document (Tk.)	: BDT. 20,000.00 (BDT Twenty Thousand) in cash (Non-refundable)
26. Package No	Identification of Package : Location Tender Security Completion Time in week/Months
WD2	Design, Supply, Installation and Testing-Commissioning of Computer Based Interlocked Signaling system at 7 (Seven) stations including interlocking of selected level crossings and installation of optical fiber cable based telecommunication system for block operation and CTC interface work (Turnkey Works) in connection with construction of 3rd and 4th Dual Gauge Track in Dhaka-Tongi section and Doubling of Dual Gauge Track in Tongi-Joydebpur section. : Dhaka and Gazipur Districts USD 510000.00 (USD Point Five Million Ten Thousand) 30(Thirty) months
EMPLOYER DETAILS:	
27. Name of Official Inviting Application	: Md. Afzal Hossain
28. Designation of Official Inviting Application	: Project Director, Construction of 3rd and 4th Dual Gauge Lines in Dhaka-Tongi section and Doubling of Dual Gauge line in Tongi-Joydebpur section including Signalling works Project.
29. Address of Official Inviting Tender	: Office of the Project Director, Outer Circular Road, Kamalapur, Dhaka-1217, Bangladesh.
30. Contacts details of Official Inviting Tender	: Cell phone: +88 01711506113 E-mail: pd.3rd4th@railway.gov.bd
31. The procuring Entity reserves the right to reject all the tenders or annul the Tender proceedings.	

(Md. Afzal Hossain)
12.6.2021
Project Director
Construction of 3rd and 4th Dual Gauge Lines in Dhaka-Tongi section and Doubling of Dual Gauge line in Tongi-Joydebpur section Project.
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