UK consumer confidence nosedives

AFP, *London*

UK consumer confidence "continues to nosedive" as surging inflation causes a cost-of-living crisis, a survey revealed Friday, as the government faces pressure to better ease the financial pain.

GfK's Consumer Confidence Index fell five points to minus 31 in March -- a fourth monthly drop in a row, as separate official data showed a fall in UK retail sales. The last time consumer confidence was this low was in the final quarter of 2020 when Covid numbers were rising, the data analyst group added.

"A wall of worry is confronting consumers this month and there is an unmistakable sense of crisis in our numbers," said Client Strategy Director GfK, Joe Staton.

"Consumers across the UK are experiencing the impact of soaring living costs with 30-year-high levels of inflation... against a background of stagnant pay rises that cannot compensate for the financial duress."

"The outlook for consumer confidence is not good; it's certain there's more bad news to come."

Staton said that confidence in people's personal financial situation and in the wider economy were "severely depressed" also owing to the Ukraine war and rising Covid numbers across the UK.

"The outlook for consumer confidence is not good; it's certain there's more bad news to come," he predicted. The GfK survey, conducted on 2,000 people aged above 16, came as official data showed UK retail sales dropped in February as soaring inflation put the brakes on most purchases.

Bucking the trend, car fuel purchases were above pre-pandemic levels for the first time despite rocketing prices as the economy reopens from Covid lockdowns.

A sharpening stone, sometimes called a bench stone or whetstone, is the simplest, most traditional way to sharpen scissors. The stone has two sides -- one with a coarse surface and the other with a finer grit. Sharpening starts on the coarse side of the stone and at one point shifts to the other. The man in the photo, also known as a cutler, charges Tk 40 to sharpen a scissor, making up to Tk 1,000 to Tk 1,500 a day. This not only does away with spending money buying new tools but also gives a new lease of life to old tools. The photo was taken on Padmabati Road in Barishal city earlier this month. PHOTO: TITU DAS

How European rulings imperil flagship Google product

AFP, *Paris*

Lax laws and sweetheart deals are becoming a thing of the past for big tech firms, particularly in Europe where a series of rulings is posing a major threat to one of Google's flagship products.

More than half of the world's websites use Google Analytics to help their owners understand the behaviour of users.

The software, which deploys cookies to track user behaviour, costs nothing in cash terms -- though the vast trove of data helps to fuel Google's massive profits.

However, in 2020 the framework overseeing how personal data is transferred from the EU to US was struck down by EU judges over concerns about snooping by US spy agencies.

Activists have since filed dozens of cases with regulators in Europe arguing that the tool breaches the fundamental rights of EU nationals.

Regulators in several countries have ruled in favour of the activists and declared Google Analytics incompatible with European data privacy regulation (GDPR). The rulings leave many European firms in a bind.

They can ditch Google and move to a privacy-compliant option that costs money, or wait it out and hope for a solution from Google, the regulators or the politicians.

On Friday, the US and EU announced they had agreed in principle a new framework to allow data transfers, but did not provide further details.

Austrian lawyer Max Schrems, who spearheaded the campaign to invalidate the previous agreements, wrote on Twitter that it seemed like another "patchwork" approach with no substantial reform to US snooping rules.

"Let's wait for a text, but my first bet is it will fail again," he wrote.

Last week, Google said it would release a new version of its software that would not store IP addresses, the unique code that can identify individual computers. The US firm has also built data centres in Europe.

However, the impact of these potential fixes is unclear. Regulators have not yet commented.

"Data protection authorities do not have the solution," says Florence Raynal of French regulator CNIL, which has ruled against Google.

"That solution must be provided by governments at a political level."

US companies are subject to a law known as the Cloud Act that allows US security agencies to access the data of foreign citizens regardless of where it is stored.

Although Google has argued that the risk posed by the Cloud Act is theoretical, it nevertheless makes it difficult for US firms to comply with the GDPR.

Marie-Laure Denis, head of CNIL, which is seen as a leader whose rulings are followed by other regulators, summed up the dilemma at a conference of the International Association of Privacy Professionals (IAPP) in Paris last week.

She said of American companies that "their business model should evolve, or the American legal framework should evolve".

BCS Taxation Association gets new exec council


Iqbal Hossain


Mahmuduzzaman

STAR BUSINESS DESK

Tax Commissioner Md Iqbal Hossain and Additional Tax Commissioner Mohammad Mahmuduzzaman have been elected president and secretary general respectively of BCS Taxation Association for a two-year term.

The executive council's election for 2022-23 was held at Bangabandhu International Conference Centre in Dhaka on Friday to elect a 49-member governing body, said a press release.

Tax commissioners MM Fazlul Haque and Mutasim Billah Faruqui and Additional Tax Commissioner Md Sirajul Karim were elected vice-presidents.

China's Sinopec pauses Russia projects

REUTERS

China's state-run Sinopec Group has suspended talks for a major petrochemical investment and a gas marketing venture in Russia, sources told Reuters, heeding a government call for caution as sanctions mount over the invasion of Ukraine.

The move by Asia's biggest oil refiner to hit the brakes on a potentially half-billion-dollar investment in a gas chemical plant and a venture to market Russian gas in China highlights the risks, even to Russia's most important diplomatic partner, of unexpectedly heavy Western-led sanctions.

Beijing has repeatedly voiced opposition to the sanctions, insisting it will maintain normal economic and trade exchanges with Russia, and has refused to condemn Moscow's actions in Ukraine or call them an invasion.

But behind the scenes, the government is wary of Chinese companies running afoul of sanctions - it is pressing companies to tread carefully with investments in Russia, its second-largest oil supplier and third-largest gas provider.

Since Russia invaded a month ago, China's three state energy giants - Sinopec, China National Petroleum Corp (CNPC) and China National Offshore Oil Corp (CNOOC)- have been assessing the impact of the sanctions on their multi-billion dollar investments in Russia, sources with direct knowledge of the matter said. read more

"Companies will rigidly follow Beijing's foreign policy in this crisis," said an executive at a state oil company. "There's no room whatsoever for companies to take any initiatives in terms of new investment."

Banglalink strives to be a digital

FROM PAGE B4

"We do have a strategic plan in terms of rolling out our networks and we do have a plan on how to deploy spectrum in this network," said the group CEO.

"We will continue on our strategic plan as we are committed to the market. We are also committed to continuing to be the fastest network in the country," he said.

Asked if Bangladesh is a friendly country for foreign investment, Terzioğlu said Bangladesh was taking solid steps in the right direction.

"I think we will see further liberalisation in the years to come," he said, adding that the government was considering all the options for making the country an attractive option for investors.

About the high tax in the telecom industry, he said the taxation burden on the telecom industry in Bangladesh was the biggest in the world.

"If Bangladesh can lower the tax burden in the industry, as it is yet to penetrate to everyone, it will help Bangladesh reach digital services to everyone," he said.

"It will only happen by the lowering of indirect taxation," he said.

Asked about optical fibre deployment practices in other markets, he said different regulators have different approaches.

"But we wish we had more flexibility in deploying fibre and sharing fibre in Bangladesh as an operator. Fibre investment requires quite a lot of capital expenditures and the more it is shared among the operators, the better it is for the industry," he said.

Asked about customers' dissatisfaction with the operators' service quality, he said speed and quality of the network would be improved by making spectrum more available for 4G sharing network among the four existing operators.

About containing monopoly in the market, he said any operator with more than 40 per cent market share needs to be regulated in a way that they respect fair competition, and the actions of one operator should not be at the expense of the consumers.

He said it has been two years since Covid-19 surfaced and Veon continued making investments in Bangladesh during this period and half of its 37 million customers now use 4G.

"We have decided to double down on our investment. We will become a national operator as there are parts of the country where we are not operating due to a lack of infrastructure," he said.

According to him, Banglalink has started work on deploying 7,000 network sites.

"You will see we will increase our network coverage. We will continue to be a high-quality 4G service provider the covers all geographies in Bangladesh," he said.

"For us, bringing 4G to all, not 5G for a few, is number one priority," he added.

Terzioğlu said he was not a big fan of the vanity of 5G.

"It sounds good but the reality is that still less than 50 per cent of people have a smartphone and less than 50 per cent enjoy 4G. That means for the next 2-3 years we have to continue on our mission to bring 4G to everyone," he said.

Terzioğlu went on to say that they would invest in 5G when it was necessary only for industrial purposes, not the consumers.

About the profitability, he said they were a long-term investor and invested about $4 billion in the last 17 years of operations.

"We will continue investing every single year with about $200 million to $300 million in the next three years. We are patient, we haven't taken dividends out of Bangladesh yet. Hope we will share our profit with local investors," he said.

Terzioğlu said Banglalink has aspirations to get listed in the stock market in three years.

Mentioning that Banglalink was the best in the assessment of an independent agency and the regulator, he said he was very proud of the work of the team who were deploying the networks and increasing customer satisfaction.

Branding Bangladesh as a beacon of stability in the region, he said he visited Bangladesh two years ago, just before Covid-19 emerged, and the pandemic had not been able to dampen the country's economic progress.

"The number of retail stores is getting higher and higher and quality has improved, high-end fashion stores almost doubled in two years, which was almost a sleeping period for many countries," he added.

Gas bills in roubles are just

FROM PAGE B4

If Gazprom insisted on rouble payments and stopped deliveries if payments were not made in roubles, "then in my view this would be a violation of contract terms," he said.

Payments in roubles would shore up the Russian currency, which has plummeted since the invasion on February 24. Putin's speech lifted the rouble 9 per cent against the dollar on Wednesday.

Meanwhile Dutch gas prices, the European benchmark, have spiked due to concerns over whether countries will be willing or even able to pay in roubles.

Putin's move, announced just as the European Union was debating additional sanctions on Russia, amounts to one of the sharpest turns in Russian gas politics since the Soviets built gas pipelines to Europe from Siberia in the early 1970s.

The man who has been Russia's paramount leader since 1999 has long railed against the dominance of the US dollar, which he casts as an instrument of a US "empire of lies" aimed at destroying Russia.

Moscow was blindsided by the West's ability to freeze the $300 billion of Russia's $640 billion "rainy day" reserve that was parked abroad.

Russia says the West has defaulted on its obligations to Russia, and that Moscow's post-Soviet delusions about the West, and the use of dollars and euros, are over.

The Kremlin has refused to discuss just how far Putin could go with his bid to conduct trade in roubles; Russia is one of the world's top exporters of oil, gas and metals - which are all largely priced and settled in US dollars.

The mechanism by which up to $320 billion a year of gas exports will be paid for in roubles is still unclear. Euros account for 58 per cent of Gazprom exports, US dollars 39 per cent and sterling around 3 per cent, according to the company. German Finance Minister Christian Lindner on Friday advised German energy providers not to pay for Russian gas in roubles, as demanded by Moscow.

Even the Communist Soviet Union accepted foreign currency for its energy exports, and it was not immediately clear if the change to rouble payments would amount to a breach of contract.

Shaikh Md Salim, executive director of Bangladesh Bank's Bogura office, inaugurated South Bangla Agriculture and Commerce (SBAC) Bank's ATM booth on Rangpur Road at Borogola area in Bogura city on Monday. Gobinda Lal Gaine, general manager of Bangladesh Bank's Bogura office, Masudur Rahman, president of the Bogura Chamber of Commerce and Industry, M Shamsul Arefin, additional managing director of SBAC Bank, Mohammad Shafiul Azam, vice-president, and Md Abdur Razzak, manager of its Bogura branch, were present. PHOTO: SBAC BANK

International Chamber of Commerce (ICC) Bangladesh Secretary General Ataur Rahman led a 57-member delegation representing 15 banks and the Bangladesh Institute of Bank Management at a Global Trade Facilitation Summit 2022 organised jointly with ICC UAE at the Dubai Chamber of Commerce and Industry, Dubai on March 15-18. PHOTO: ICC BANGLADESH

Sadid Jamil, managing director of Metal Pvt, cuts a ribbon to inaugurate a new showroom and regional office on Panchagar Road at Telipara in Thakurgaon recently. Tarequl Alam Khan, executive director, Md Zahirul Hoque, general manager, and Md Alamghir Hossain, head of sales, were present. PHOTO: METAL