Although most businesses in the country have wrapped up their Eid-ul-Fitr holidays for the year, many roadside vendors such as these at the Baitul Mukarram Market in the capital remain shuttered amid a lack of potential customers. But with a majority of people enjoying extended vacations following two years of subdued celebrations due to Covid-19, the low number of people on the street is to be expected.

PHOTO: ANISUR RAHMAN

Solid job growth continues in recovering US economy

AFP, *Washington*

From bars to factories to warehouses, American businesses hired staff with vigor in April as the US economy recovers from the damage done by Covid-19 while grappling with inflation that has hit the highest rate in decades.

Employers in the world's largest economy added 428,000 jobs last month, the Labor Department said Friday, keeping the unemployment rate at 3.6 per cent, just above where it was before the spread of Covid-19 caused mass layoffs two years ago.

The data pointed to continued strong job growth and contained hints that some inflationary pressures may be easing -- welcome news for an economy where consumer prices have climbed at a rate not seen since the 1980s.

President Joe Biden described the data as a sign that his policies had revived the economy from the grievous damage wrought by the pandemic.

"Our plans and policies have produced the strongest job creation economy in modern times," Biden said in a statement.

The report was released two days after the Federal Reserve hiked its key lending rate by a half-percentage point to crush the wave of price increases, and signaled it plans further hikes in the months to come.

Workers' wages are a component of accelerating inflation, and the jobs report showed average hourly earnings rising only 0.3 per cent compared to March, a slower pace that in recent months and potential signal the price pressures are abating.

However, economist Joel Naroff warned wages were still trending upwards and the generally rosy picture of the labor market the data painted may convince the Fed aggressive rate hikes are needed to lower inflation.

"Sometimes good news is not necessarily good news and this report, though it shows that the economy is still moving forward solidly, may be a problem for investors," he said.

After spiking to 14.7 per cent in April 2020 following business closures across the country as the pandemic began, unemployment has declined steadily and is now just a hair above its 3.5 per cent rate before Covid-19 arrived.

The number of unemployed people was at 5.9 million last month, the Labor Department said, also not far from where it was in February 2020, while a range of businesses took on new hires.

These included the leisure and hospitality sector, which encompasses the bars and restaurants that bore the brunt of the pandemic restrictions.

That industry added 78,000 jobs last month, while manufacturers hired 55,000, transportation and warehousing took on 52,000, and employment at professional and business services firms rose 41,000.

But the labor force participation rate, which indicates the share of the population employed or searching for work, declined 0.2 percentage points from March, bringing it to 62.2 per cent, where it was at the start of the year.

Supply of workers has been an ongoing problem for employers: Other data released recently shows there are nearly two job openings for every unemployed person in the labour force.

"Looking ahead, we expect more workers to come off the sidelines in search of work and labor demand to cool as businesses feel the pinch from high inflation and tighter financial conditions," Kathy Bostjancic of Oxford Economics said.

The data indicated some improvement in racial disparities in the labor market, with the Hispanic unemployment rate falling slightly to 4.1 per cent.

Joblessness among African-American workers declined to 5.9 per cent as more women were hired, though unemployment rose for Black men.

Asian unemployment ticked up to 3.1 per cent, while it was flat for white workers at 3.2 per cent.

AIIB extends $200m credit facility to Idcol

STAR BUSINESS DESK

Asian Infrastructure Investment Bank (AIIB) has extended a $200 million long-term credit facility to the Infrastructure Development Company Ltd (Idcol) of Bangladesh for financing infrastructure projects in the country.

The Economic Relations Division (ERD) of the finance ministry and the multilateral development bank signed a loan agreement to this effect in Dhaka last month, a press release said.

The credit facility will be utilised to finance priority private sector infrastructure projects in sectors like energy, transport, ICT, energy efficiency, renewable energy, social infrastructure and so on.

Idcol will extend the financing in both the US dollar and the Bangladeshi taka to eligible projects.

Idcol, a government-owned non-banking financial institution, is the country's leading financier in the private sector infrastructure, renewable energy and energy efficiency sectors.

The state-owned organisation plays a significant role in catalysing private sector investment across these segments, according to the statement.

Fatima Yasmin, secretary of the ERD and chairman of Idcol, Md Shahriar Kader Siddiky, chief (Asia wing) of the ERD, and Alamgir Morshed, executive director of Idcol, were present.

Brazil, Guyana agree to widen energy cooperation

AFP, *Georgetown*

Brazil and Guyana on Friday agreed to broaden energy cooperation during a visit by President Jair Bolsonaro to Georgetown, in which the South American neighbors also signed infrastructure and legal deals.

Former British and Dutch colony Guyana has emerged as one of the main low-cost oil production countries and is preparing to auction offshore oil blocks at the end of the year.

"In terms of oil and gas, we have a Brazilian giant called Petrobras for whom cooperation with Guyana is becoming an ever-greater reality. That's what we hope for," said Bolsonaro.

US giant ExxonMobil announced in April the discovery of three new oil deposits in Guyana, raising estimates of the country's oil reserves to the equivalent of 11 billion barrels.

Those discoveries fueled Guyana's existing border dispute with Venezuela, which wants to explore territorial waters claimed by both countries. Guyana President Irfaan Ali evoked the idea of creating an energy corridor through his country, Brazil and Surinam.

"In the area of energy, we have discussed working together on a natural gas strategy and how that can be integrated in the development of Brazil and how we can coordinate and cooperate in this area," said Ali.

Oman Air plans daily flights

FROM PAGE B4

The industry is rebounding, riding on receding coronavirus caseloads and reopening of international borders.

"The fare will reflect the reality very soon and the passengers will be able to pay the fare they used to pay in the past," said Sunil.

When asked why people choose Oman Air, Sunil said, "We are quite known for our quality service. As Oman is very good at hospitality, passengers feel very comfortable travelling with the airline."

"We have full service so passengers get the complete experience of the product at a very reasonable price. We are trying to strike a balance so that we can keep providing quality service to customers."

In Bangladesh, Oman Air's country agent is Galaxy Travel International.

Speaking at the event in Chattogram, Galaxy President and CEO Ahmed Yusuf Walid said, "Most of the passengers choose Oman Air as we are operating regular flights from Chattogram. We want to retain their trust."

Airport sources say there are 18 flights from the Shah Amanat International Airport every week that are bound for Muscat, the capital of Oman.

Of the flights, Oman Air runs the highest number of flights. Besides, five flights are operated by SalamAir, also an airline of Oman, and three each by Bangladesh Biman and US-Bangla Airlines.

Jahidul Hasan, senior sales manager of Oman Air, Asif Chowdhury, in-charge of the Chattogram office of the airline, and Wing Commander M Farhad Hossain Khan, director of the Shah Amanat International Airport, were present at the event.

New pipeline links Baltics

FROM PAGE B4

If approved by member states, the oil ban would be the EU's toughest move yet against the Russian energy sector, which helps the Kremlin finance its war.

Last week Russia's Gazprom halted deliveries to Poland and Bulgaria as it seeks to sow divisions between European nations that have imposed sanctions.

A cut off of Russian supplies threatens to cause shortages not only in those countries but potentially across Europe.

The growing number of interconnections between gas networks, however, means European nations are better able to prevent Russia putting pressure on one country.

"Today, we are inaugurating our energy independence," Lithuanian President Gitanas Nauseda told a ceremony outside the capital Vilnius.

"This interconnector is a response to blackmail" from Russia, said his Polish counterpart Andrzej Duda.

Poland has said it is ready to completely swear off Russian gas if necessary and the Baltic states of Lithuania, Latvia and Estonia announced at the end of last month they were halting imports of Russian gas and would use their reserves.

All the nations are heavily dependent upon Russian gas imports.

The EU funded a large part of the 500-million-euro ($530 million) cost of the construction of the GIPL pipeline.

Azharul Islam, chairman of Uttara Bank Ltd, virtually presides over the bank's 39th annual general meeting recently. The meeting declared 14 per cent stock and 14 per cent cash dividends for 2021. Iftekharul Islam, vice-chairman of the bank, and Mohammed Rabiul Hossain, managing director, also attended the meeting.

PHOTO: UTTARA BANK

Fed makes biggest rate hike

FROM PAGE B4

He acknowledged that higher interest rates also bring their share of pain, but "everyone would be better off if we can get this job done. The sooner, the better."

To achieve that aim, he said "additional 50-basis point increases should be on the table at the next couple of meetings," however, a more aggressive three-quarter point hike is not under consideration.

The Fed's goal is to engineer a "soft landing," reining in inflation while avoiding a contraction in economic activity, and Powell said that outcome is likely.

"It's a strong economy, and nothing about it suggested... that it's close to or vulnerable to a recession," he said.

But with China's pandemic lockdowns worsening global supply snarls and the war in Ukraine pushing commodity prices higher, analysts fear factors beyond the central bank's control could undermine that goal, and perhaps plunge the US economy into a recession.

The FOMC acknowledged the "highly uncertain" impact of Russia's invasion of Ukraine and Western sanctions on Moscow, which are "creating additional upward pressure on inflation and are likely to weigh on economic activity."

In addition, Covid lockdowns in China "are likely to exacerbate supply chain disruptions," the statement said.

Though it contracted in the first quarter, Powell said the economy was healthy enough to withstand higher rates, and pointed to robust job gains and strong household and business spending.

However, central bankers cannot engineer a solution for the worker shortages that have challenged businesses and raised fears of a wage-price spiral, when employees demand higher salaries and fuel price increases.

Powell downplayed those concerns, saying some of the inflation is due to price shocks, while Fed policy can help address the "imbalance" in the labor market.

On Wednesday, payroll services firm ADP reported private employers added a weaker-than-expected 247,000 workers in April, a sign that companies are struggling to find available labor, while government data released Tuesday showed there are nearly two openings for every job seeker.

US, Chinese regulators in talks for audit deal

REUTERS, *Hong Kong*

US and Chinese regulatory officials are in talks to settle a long-running dispute over the auditing compliance of US-listed Chinese firms, three people briefed on the matter told Reuters.

The standoff, if not resolved, could see Chinese firms kicked off New York bourses. The US Public Company Accounting Oversight Board (PCAOB) denied an earlier Reuters report that said a team from the agency had arrived in Beijing for talks.

This week the US Securities and Exchange Commission (SEC) added over 80 firms, including e-commerce giant JD.com and China Petroleum & Chemical Corp to the list of companies facing possible expulsion.

The talks between officials from the PCAOB and their counterparts at the China Securities Regulatory Commission (CSRC) can be described as "late stage" after China made concessions in recent months, the people said.

But a PCAOB spokesperson said, "Recent reports that PCAOB officials are currently in China, or that PCAOB officials were in China earlier this year to conduct face-to-face negotiations, are untrue. The PCAOB has not sent any personnel to China since 2017."

He said the board continues to engage with the Chinese authorities but "speculation about a final agreement remains premature." As a result, the PCAOB is planning "for various scenarios".

The CSRC on Friday did not respond directly on the status of discussions. It referred Reuters to official statements from both sides but did not specify which statements. The sources asked not to be identified due to the sensitivity of the issue. Authorities in China have long been reluctant to let overseas regulators inspect local accounting firms, citing national security concerns.

But in a key concession, Chinese regulators last month proposed revising confidentiality rules for offshore listings and scrapping requirements that on-site inspections of overseas-listed Chinese firms be conducted mainly by domestic regulators. Sources told Reuters last month that a preliminary framework for audit supervision cooperation between the two countries has been formed.

The spat over audit oversight of New York-listed Chinese companies, simmering for more than a decade, came to a head in December when the SEC finalised rules to delist Chinese companies under the Holding Foreign Companies Accountable Act. It said there were 273 companies at risk but did not name them.