



People are seen inside an Apple store near Central Ferry Piers in Hong Kong yesterday. Shares of the world's most valuable company jumped 2.3 per cent to \$193.97, giving it a market capitalisation of \$3.05 trillion on Friday.

PHOTO: AFP

## Eurozone inflation falls in June

AFP, Brussels

Eurozone inflation eased further in June as energy prices fell but those of food and drinks remained elevated, official data showed Friday.

Consumer prices rose by 5.5 per cent this month, down from 6.1 per cent in May, according to the European Union's Eurostat agency.

The drop was slightly better than the 5.6 per cent inflation rate forecast by analysts surveyed by Bloomberg.

Since consumer prices remain above the European Central Bank's two-percent target, analysts expect there will likely be no let-up in more interest rates hikes. Food and drink prices rose by 11.7 per cent in June compared with 12.5 per cent in May, according to Eurostat.

The agency said energy inflation in the eurozone dipped further into negative territory in May, falling by 5.6 per cent in June after recording a drop of 1.8 per cent in May.

## Apple's market value ends above \$3tr for first time

REUTERS

Apple Inc's stock market value ended a trading session above \$3 trillion for the first time on Friday, lifted by signs of improving inflation and bets that the iPhone maker will successfully expand into new markets.

Shares of the world's most valuable company jumped 2.3 per cent to \$193.97, giving it a market capitalization of \$3.05 trillion, Refinitiv data showed.

It was Apple's fourth straight record high close.

The Cupertino, California company's market capitalization briefly peaked above \$3 trillion in intraday trading on January 3, 2022 before closing the session just below that mark.

Heavyweight growth stocks including Apple, Nvidia Corp and Tesla Inc rose sharply after a Commerce Department report showed the Personal Consumption Expenditure price index advanced less in May than in April, reflecting progress in the Federal Reserve's fight against

inflation.

Apple has surged 49 per cent so far in 2023 in a rally by several of Wall Street's most valuable companies, fueled by bets that the Fed is nearing the end of its campaign of interest rate hikes, and by optimism about the potential for artificial intelligence.

Apple's most recent quarterly report in May showed revenue and profits fell but still beat analysts' expectations. Along with a steady track record of stock buybacks, the financial results reinforced its reputation as a safe investment at a time of global economic uncertainty.

"It's a testament to one of the greatest publicly traded companies that's ever existed. It continues to grow and diversify its revenue streams, has shareholder-friendly management, buys back shares, throws off a dividend and has a fortress balance sheet with strong and defensible cash flows," said Art Hogan, chief market strategist at B Riley Wealth.

Apple's \$3 trillion milestone follows the June 5 launch of a pricey augmented-reality headset, its riskiest bet since the introduction of the iPhone more than a decade ago.

The stock has climbed about 7 per cent since then, compared to the S&P 500's 4 per cent rise.

Recent gains in Apple's shares have outpaced analysts' estimates for the company's future earnings. It is now trading at over 29 times expected earnings, its highest since January 2022, according to Refinitiv data. That compares to a median PE ratio of about 13 for the S&P 500 technology index.

Four other US companies have valuations of more than \$1 trillion - Alphabet Inc, Amazon.com Inc, Nvidia and Microsoft Corp, which follows Apple with a market value of \$2.5 trillion.

Shares of Tesla and Meta Platforms Inc have more than doubled this year, while a 190 per cent gain in shares of Nvidia has catapulted the chipmaker into the trillion-dollar club.

## EBL wins 'Best Domestic Bank in Bangladesh' award

STAR BUSINESS DESK

Eastern Bank Limited (EBL) won the "Best Domestic Bank in Bangladesh 2023" award given by The Asiamoney, a London-based financial and management publication.

The bank won the award for the third consecutive year, said a press release.

"It's a great honour for team EBL and a testament to our strength and resilience. I take the opportunity to share this award with all our valued clients, stakeholders, and patrons," said Ali Reza Iftekhar, managing director and CEO of the bank.

Amid surging global interest rates, runaway inflation, and geopolitical upheaval, 2022 was challenging for Bangladesh's financial system, according to The Asiamoney.

However, EBL management kept a clear eye on future growth and competitiveness. The bank weathered the global chaos by prioritising compliance, controlling costs, product innovation, increasing internal productivity, and strengthening customer service.

The Asiamoney's award decisions were made by a team of senior journalists after receiving detailed submissions from market participants and in conjunction with research into the banking and capital markets by its editorial committee.

## Oil settles higher

REUTERS

Oil prices settled higher on Friday but posted their fourth straight quarterly loss as investors worried that sluggish global economic activity could crimp fuel demand.

Benchmark Brent crude futures for August delivery which expires on Friday, settled up 56 cents, or 0.8 per cent, at \$74.90. In the three months to the end of June, the contract finished down 6 per cent.

US West Texas Intermediate crude (WTI) settled up 78 cents, or 1.1 per cent at \$70.64 a barrel. It posted its second straight quarterly drop, down about 6.5 per cent in the latest three months.

Prices have been under pressure from rising interest rates in key economies and a slower than expected recovery in Chinese manufacturing and consumption.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (JUL 2, 2023)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 60-Tk 75	0	-6.25 ↓
Coarse rice (kg)	Tk 48-Tk 50	0	-2 ↓
Loose flour (kg)	Tk 52-Tk 55	-2.73 ↓	25.88 ↑
Lentil (kg)	Tk 90-Tk 100	0	-11.63 ↓
Soybean (litre)	Tk 167-Tk 175	-5 ↓	-6.3 ↓
Potato (kg)	Tk 35-Tk 40	-1.32 ↓	29.31 ↑
Onion (kg)	Tk 80-Tk 85	6.45 ↑	65 ↑
Egg (4 pcs)	Tk 45-Tk 48	-2.11 ↓	16.25 ↑
SOURCE: TCB			

## US targets China over semiconductors

REUTERS

US China tensions over semiconductors began with the Trump administration's trade war and have ratcheted up under President Joe Biden's leadership as Washington looks to undercut Beijing's efforts to build its high-tech industry.

The US and the Netherlands are set to deliver a one-two punch to China's chipmakers by further curbing sales of chipmaking equipment, including some from Dutch firm ASML, the global leader in the critical process of lithography, Reuters reported on Thursday.

Here is a timeline of US actions against China's chip industry:

October 2018: Former US President Donald Trump's administration cuts off Chinese chipmaker Fujian Jinhua Integrated Circuit from its US suppliers after the US Justice Department indicted the state-backed firm for stealing trade secrets.

The case initially started as a dispute between Micron Technology and the Chinese firm. Trump's move escalated it into the realm of an international trade conflict between the United States and China.

January 2020: Reuters reported that the Trump administration had since 2018 had mounted an extensive campaign to block the sale of Dutch chip manufacturing technology to China. It resulted in ASML being unable to sell its most advanced lithography machine to a Chinese customer.

May 2020: The Trump administration blocks shipments of semiconductors to China's Huawei Technologies from global chipmakers, crippling its HiSilicon chip and smartphone divisions.



Chinese and US flags flutter outside the building of an American company in Beijing.

PHOTO: REUTERS/FILE

December 2020: The US adds China's top chipmaker SMIC and dozens of other Chinese firms to a trade blacklist and said it would presumptively deny licenses to prevent SMIC from acquiring technology to produce semiconductors at advanced technology levels of 10 nanometres or below.

September 2022: US chip designers Nvidia and Advanced Micron Devices say US officials have told them to stop exporting some top computing chips for artificial intelligence work to China.

October 2022: The Biden administration publishes a sweeping set of export controls, including a measure to cut China off from certain semiconductor chips made anywhere in the world with US

equipment.

December 2022: The US adds Chinese memory chip maker YMTC and dozens of other Chinese firms to its trade blacklist.

June 29, 2023: Reuters reports the Netherlands is this summer planning to curb sales of certain ASML equipment from being sold to China's chipmakers. The US is expected to go one step further and use its long reach to withhold even more Dutch equipment from specific Chinese fabrication plants.

A separate report citing sources said US officials are considering tightening an export control rule designed to slow the flow of AI semiconductors to China by clamping down on the amount of computing power the chips can have.

## China's factory, service sectors

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The NBS' separate services index dropped to 52.8 from 53.8 in May, its lowest since December when China scrapped strict COVID curbs.

The readings initially pushed the yuan to a seven-month low and the Australian dollar to a three week low although both currencies later recovered losses.

"After a short-lived reopening boost, the service sector appears to be settling into a new post-pandemic normal of slower growth," wrote Julian Evans Pritchard, head of China economics at Capital Economics.

When China abandoned its COVID controls, economists anticipated its economy would recover quickly and emerge as a key driver for global growth. Six months on, however, analysts are downgrading their forecasts for the rest of the year.

Nomura has been the most bearish, cutting its forecast for growth in China's gross domestic product (GDP) this year to 5.1 per cent

from 5.5 percent. That downgrade even takes into account the prospect of new stimulus.

The PMIs showed new orders and new export orders shrank for the third straight month.

"The June PMI reflects a number of imbalances and weaknesses, such as: the continuous contraction of internal and external demand, an accelerated slowdown in the operations of small enterprises, and continuing increasing pressure on the private economy," said Bruce Pang, chief economist and head of research for Greater China at Jones Lang LaSalle.

"This indicates the urgent need for a more powerful package of policy measures... to ensure the annual growth targets," he added.

The government has set a modest GDP growth target of about 5% for this year after badly missing its 2022 goal.

China's cabinet this month pledged to promote a sustained

economic recovery "in a timely manner".

Addressing a World Economic Forum summit in Tianjin on Tuesday, China's Premier Li Qiang reiterated that Beijing will take steps to boost demand, but stopped short of unveiling any concrete policies.

China cut key lending benchmark rates earlier this month to shore up activity.

Sources involved in policy discussions have told Reuters that China will roll out more stimulus measures, but concerns over debt and capital flight will keep measures aimed at shoring up weak demand in the consumer and private sectors.

ING's Carnell said while the government is likely to provide some support, it won't "resemble anything like the financial bazooka that some want to see, but will instead be more of a buck-shot spray of smaller more targeted measures that may not move the GDP needle substantially."

## India's GST receipts rise 12% in June

REUTERS, New Delhi

India's goods and services tax (GST) collections rose nearly 12 per cent year-on-year to 1.61 trillion rupees (\$19.61 billion) in June, a government statement showed on Saturday.

The government collected 1.45 trillion rupees as GST in June 2022 and a record 1.87 trillion rupees in April 2023. It expects to garner 9.56 trillion rupees through GST in the current fiscal year that ends in March 2024.

The western state of Maharashtra clocked a 17 per cent year-on-year growth in tax receipts to 260.99 billion rupees in June - the highest for any state - while the southern states of Karnataka and Tamil Nadu recorded increases of 27 per cent and 20 per cent, respectively.

The monthly GST collected has topped the 1.5 trillion rupees mark for the seventh time since the new tax regime was introduced in 2017.

## DSE turnover drops

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Many investors are still in a holiday mood and so, turnover was lower in the market, said a mid-level official of a leading stockbrokerage.

Although most trading orders came through phone calls, investors were not active on the trading floor.

So, turnover of the market is expected to increase soon, he added.

Ratanpur Steel Re-Rolling Mills made the highest gain with an increase of 10 per cent. Dacca Dyeing and Manufacturing, Shyampur Sugar Mills, Salko Spinnings Mills, and Fu-Wang Ceramic Industries were among the top gainers as well.

Khulna Printing and Packaging lost the most,

shedding 9.8 per cent. Yeakin Polymer, Aziz Pipes, Phoenix Finance 1st Mutual Fund, and Pragati Life Insurance were also on the list of significant losers.

Fu-Wang Ceramic Industries was the most-traded stock with issues worth Tk 17 crore transacted. Khan Brothers PP Woven Bag Industries, Intraco Refueling Station, Rupali Life Insurance Company, and Meghna Life Insurance registered significant turnover as well.

The CASPI, the all-share price index of the Chittagong Stock Exchange, gained 32 points, or 0.17 per cent, to close at 18,734 points.

Of the issues traded, 78 rose, 48 retreated and 36 did not see any price swing. However, turnover of the port city bourse fell 26 per cent to Tk 66.5 crore.