

Lower sales weigh on UAE non-oil business

REUTERS, Dubai

Non-oil business activity in the United Arab Emirates eased in July as new orders slowed from a four-year high the previous month, a survey showed on Thursday.

The seasonally adjusted S&P Global UAE Purchasing Managers' Index slowed to 56.0 in July, from 56.9 in June, but remained firmly above the 50 mark, which signals growth in activity.

The slowdown was attributed in part to an easing of growth in new orders, although demand remained strong, with the sub-index falling to 57.4 in July from 61.0 the previous month, which was the fastest rate of expansion since June 2019.

Greater competition was among the reasons for the dampening in sales growth, the survey said.

"The latest PMI data pointed to a slight recalibration of the strength of the UAE non-oil economy in July, as new



PHOTO: HABIBUR RAHMAN

While city-dewellers in Bangladesh would rarely buy silver ornaments in the past, the trend has changed over time thanks to the availability of well-designed products at lower prices compared to gold or platinum jewellery. The photo was taken from Khulna city recently.

The latest PMI data pointed to a slight recalibration of the strength of the UAE non-oil economy in July, as new business growth slowed

business growth slowed from its four-year high in June and the output expansion subsequently lessened," said David Owen, senior economist at S&P Global Market Intelligence.

Owen added that the "the easing of sales growth was substantial and, if accelerated in future months, suggests that the demand boom could have reached its peak."

While output remained firmly in expansion territory, the pace of growth eased to 62.8 in July from 64.1 the previous month.

Overall economic growth among the Gulf oil exporting countries is expected to be weaker this year on lower oil prices and global macroeconomic concerns, but non-oil growth has remained resilient.

Non-oil GDP of Abu Dhabi, the UAE capital, grew 6.1 percent in the first quarter outperforming overall GDP growth of 3.9 percent, according to government data.

The latest survey showed a positive outlook over the next 12 months, on expectations of improved economic conditions and marketing and sales pipelines.

Silver winning hearts in silence

MIR RASHIDA SULTANA and
SUKANTA HALDER

People in Bangladesh are becoming increasingly inclined towards silver jewellery as they are more affordable than gold or platinum ornaments, especially amid the ongoing inflationary pressure, according to various traders.

Besides, people have come to realise that silver is an equally versatile, sustainable and timeless material compared to more expensive metals that symbolise elegance and sophistication.

"Only people from rural areas would buy silver jewellery just 10 to 15 years ago," said Palash Paul, who owns the New Silver Palace, a jewellery store at the Bashundhara City Shopping Complex in Dhaka.

However, the trend has changed over the years due to changing tastes in fashion, with more budget-friendly and better designed products now available in the market, he added.

Speaking on condition of anonymity, an official of a branch of Aarong in the capital's Science Lab area, said their silver jewellery are selling well thanks to higher demand.

With prices ranging from as low as Tk 50 up to Tk 30,000, the branch sells an average of Tk 40,000 to Tk 45,000 worth of silver jewellery every day, which was not possible just a few years back.

"The demand is increasing due to better product quality and the availability of lifetime service warranties," the official added.

Azharul Hoque Azad, managing director of a local clothing brand called Sadakalo, said the country's youth are more fashion conscious than ever, leading to an upward trend in the use of silver jewellery.

"The sale of silver ornaments has increased

a lot over the past five to seven years," he added.

Mohammad Faisal, an employee of the Silver Garden jewellery store at the Chandni Chowk Shopping Complex in Dhaka, said each bhoori (about 12 grams) of 22-carat silver is currently selling for Tk 1,714.



An official of a branch of Aarong said, their silver jewellery is selling well due to higher demand. The branch sells an average of Tk 40,000 to Tk 45,000 worth of silver jewellery every day.

Similarly, 21-carat silver is priced at Tk 1,632 per bhoori while 18-carat silver is Tk 1,399 per bhoori.

And apart from silver ornaments mainly of the 21-carat variety, jewellers are also receiving orders for bowls, plates, glasses, spoons and showpieces made out of the precious metal, he added.

Nazmul Hasan, who owns the Popi Jewellery store at the Shah Ali Market in Dhaka's Mirpur, said many people are opting for silver products considering the recent hike in gold prices.

The Bangladesh Jeweller's Association (Bajus) hiked the price of gold about two weeks back as pure gold has become costlier in the global market due to the taka's devaluation against the US dollar.

As such, the price of 22-carat gold recently touched a record high of about Tk 1 lakh per bhoori.

WHAT CUSTOMERS ARE SAYING

Nilima Jahan, a resident of the capital's Farmgate, agreed that the demand for silver jewellery is increasing as gold products are more expensive than ever.

Jahan then pointed out that she wanted to buy a pair of gold earrings not too long ago but ultimately withdrew her decision considering the sudden increase in prices.

"After that, I decided to get silver anklets and rings within my budget," she added.

Dewan Aminul Islam Shahin, vice-president of Bajus, said silver jewellery is now even being used in bridal ceremonies, which was unheard of not too long ago.

"This is one of the reasons why the demand for silver jewellery is increasing day by day," he added.

Shahin also said that silver jewellery was not given much value in the past but this perception has changed over time due to improvements in product quality.

"For example, silver can look like white gold if the quality is good," he added.

Chandra Shekhar Shaha, a jewellery designer and consultant, said he was among the first to introduce the country to silver jewellery in 1981.

"Since then, entrepreneurs have been trying to come up with new designs for their products," he added.

Bajus says the domestic market for silver jewellery is currently worth more than Tk 10 crore annually.

DIGITAL DARE

Who is the next superpower?

MAHTAB UDDIN AHMED

One day, the United States, China and Russia met at a racecourse and started arguing about who the next global superpower will be. The United States said, "With the most powerful military in the world, we can defeat any country in a war."

China argued, "Blah! Being an economic powerhouse, we can buy any country we want."

Then Russia chipped in with, "Your military and economy stand no chance with our hackers! Our hackers are simply the best and can hack into any country's computer systems."

They were arguing back and forth when suddenly Batman, Superman, Spiderman and Terminator appeared, exclaiming, "Hey, just chill! You know what, you're all wrong because the next superpower will be the one that can win any war and solve any problem in the world. Have you ever seen us getting defeated or kept any global problem unresolved?"

Scratching their heads, the three nations looked at each other and then at the Superheroes and realised that, indeed, the latter are right!

According to various sources, technology was used in different ways to manipulate the 2016 US election. We read about the various hacking, leaking of emails and documents from the Democratic National Committee, and how Hillary Clinton's campaign chairman, John Podesta, was associated with Russian intelligence, how false and misleading information was spread on social media platforms by Russian operatives and bots.

Individual voters were targeted based on their psychological profiles and personal data by data science firm Cambridge Analytica, which worked for the Trump campaign. All these confirm that technology can control the mind of voters and this methodology was tested successfully in other countries too.

In a TED talk, Ian Bremmer explored who would run the world in 21st century. He argued that it is not as simple as it used to be and that we no longer have superpowers. He discussed the evolving global order, its impact, and our choices as participants in the future of democracy. Three key trends are driving this change: the rise of China, the decline of the United States, and the rise of technology.

The next global superpower will be a "system superpower" that is able to harness the power of technology to shape the global order. This superpower could be a technology company or even a new form of organisation.

Technology companies are becoming increasingly powerful and they could play a major role in shaping the future of the world order. It could even be a new form of organisation that is not based on a traditional nation-state.

Recently, I had the experience of driving a Tesla in Australia. It's a highly sophisticated battery-driven car with all kinds of technological wonders, including auto drive, auto parking and other impressive safety and security features. It alerts you with a loud beep if it senses danger when your speed and other vehicles or objects around you are not in coordination. And if you choose to ignore the warning, it simply takes control of the car.

Tesla cars are controlled centrally with its platform. If it falls into the wrong hands or gets hacked, it can direct all the cars to go to the destination, creating a disruption.

Based on my understanding of the world, the future superpower might well be in the hands of Facebook, Google, Twitter, TikTok, Instagram, Apple, Samsung, Nasa, and similar companies. Individually or jointly, they would possess more power than any other traditional superpower nation.

Technology companies can be considered superpowers in different aspects such as AI, geopolitics, and innovation, depending on their market position, global reach, and R&D capabilities. However, they also face various challenges and responsibilities that require them to balance their interests and values with those of other stakeholders in society. And that is only possible if individual nations ensure the ethical use of technology.

The author is founder and managing director of BuildCon Consultancies Ltd



Yellen says US credit downgrade unwarranted

AFP, McLean, United States

A US credit downgrade by Fitch was "entirely unwarranted," Treasury Secretary Janet Yellen said Wednesday, pushing back against the second-ever decrease by a major ratings agency following repeated debt limit standoffs in Washington.

Her remarks came a day after the world's biggest economy lost its top-tier credit rating from Fitch as the agency lowered it a notch from AAA to AA+, drawing fiery disapproval from the White House and Treasury.

The action was on the back of the United States' growing federal debt burden and an "erosion of governance" resulting in multiple gridlocks over the debt ceiling, said Fitch Ratings on Tuesday.

But Yellen told an event in Virginia that "Fitch's decision is puzzling in light of the economic strength we see in the United States."

Citing US economy's bounceback from the pandemic with a robust jobs market and cooling inflation, Yellen stressed that fiscal responsibility is a priority for herself and President Joe Biden.

"At the end of the day, Fitch's decision does not change what all of us already know," she said.

This includes the understanding that "Treasury securities remain the world's preeminent safe and liquid asset," she added.

But a Fitch Ratings senior director told CNBC Wednesday that Washington needs to tackle the recurrence of debt limit impasses and find "long-term" solutions for growing fiscal issues if it seeks a credit upgrade.



A crude oil tanker is anchored in Nakhodka Bay near the port city of Nakhodka, Russia. The G7, the European Union and Australia imposed the \$60 per barrel cap last December on sea-borne exports of Russian crude in retaliation for Russia's war on Ukraine.

PHOTO: REUTERS/FILE

US sees price cap on Russian oil working

REUTERS

The United States remains confident that the Group of Seven's price cap on Russian oil is working to squeeze Moscow's revenues and stabilize energy markets despite a recent uptick in prices, a senior US Treasury official said on Thursday.

In remarks prepared for a London conference, acting Assistant Secretary for Economic Policy Eric Van Nostrand hailed the price cap as a successful part of the multilateral sanctions regime imposed on Russia over its invasion of Ukraine, and said Washington and its partners were working to thwart any evasion.

"Our approach has struck at the heart of the Kremlin's most important cash cow. Before the war, oil revenues constituted about a third of the total Russian

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