

US trade curbs threaten global supply chains

China says

AFP, Beijing

Beijing has raised “serious concerns” with the United States over Washington’s trade curbs on Chinese businesses, warning they could threaten the “security and stability” of global supply chains, state media reported Tuesday.

In a readout of Monday talks in Beijing between the Chinese commerce minister and his US counterpart Gina Raimondo, state news agency Xinhua said Wang Wentao had urged Washington to “match its words with actions”.

“Wang... raised serious concerns about issues including the US Section 301 tariffs on Chinese goods, its semiconductor policies, restrictions of two-way investment, discriminatory subsidies, and sanctions on Chinese enterprises,” Wang said, referring to a raft of US policies Washington defends as necessary to “de-risk” its supply chains.

“Unilateral and protectionist measures run counter to market rules and the principle of fair competition, and will only harm the security and stability of the global industrial and supply chains,” he added.

UK shop price inflation at 10-month low

REUTERS, London

Prices in British store chains rose in August at the slowest pace in nearly a year, according to industry data that offers further relief for consumers hit by high inflation and for the Bank of England which is trying to quash it.

The British Retail Consortium said annual shop price inflation cooled to 6.9 percent in August, its lowest since October 2022, weakening from 7.6 percent in July.

Food price inflation fell to 11.5 percent from July’s 13.4 percent, driven by slower increases for meat, potatoes and some cooking oils. Non-food inflation held at 4.7 percent.

“These figures would have been lower still had the government not increased alcohol duties earlier this month,” BRC Chief Executive Helen Dickinson said.

Prices rose in month-on-month terms by 0.5 percent having fallen the first time in two years in July from June.

Record potato production, yet prices going up

MD ASADU'Z ZAMAN and KONGKON KARMAKER

Potato prices are soaring even though farmers this year grew a record 1.04 crore tonnes, cutting the buying power of consumers, especially fixed and low-income people already battered by sustained high inflation.

Within one week, prices increased by Tk 5 per kilogramme (kg) to a maximum of Tk 45 in Dhaka’s markets, as per the Trading Corporation of Bangladesh, which is being blamed on supplies falling short of demand.

The current price is 57 percent higher than that a year ago.

Prices are going up as traders and farmers of large-scale operations, who store potatoes in cold storages for sale during the lean season, are taking it slow in releasing their stocks, according to stakeholders.

With planting starting in September, potatoes take 90 days to grow. Harvests from January ensures supplies for the next couple of months. However, by June, stocks in cold storages need to be released and this continues till the next harvest.

Stocks of the popular tuber become depleted at this stage of the year as demand rises for high prices of other vegetables.

The annual production figure came from the Bangladesh Bureau of Statistics, which says it was 2.83 percent higher than that in the preceding year.

Annual demand stands at around 1 crore tonnes, according to market players.

“This year’s production is a record high in Bangladesh’s history. Currently, there is no scarcity of potato in the country,” said Md Tajul Islam Patwary, director of field services at the Department of Agricultural Extension.

On the reason behind the price rise, he blamed a lack of market monitoring by agencies responsible, such as the Directorate of National Consumers’ Right Protection (DNCRP).

However, Bangladesh Cold Storage Association (BCSA) disagreed with the government’s production estimate, saying it would not exceed 80 lakh tonnes.

“We do not agree with the government data,” said Mostafa Azad Chowdhury, president of the BCSA, whose members own 181 out of the over 400 cold storages in the country.

Some 20 percent of the cold storage capacity of the BCSA members have remained

unused, he said. “If the potato production is high, where are these surplus potatoes?” he questioned.

He said traders were releasing stocks slowly as they know that farmers have exhausted their stocks.

Some vegetable vendors in the Agargaon kitchen market were found charging up to Tk 50 for every kg of potatoes

northwestern district of Dinaipur, said wholesale and retail prices had been stable until Eid-ul-Azha last month.

Just prior to Eid, each kilogramme was available at Tk 22 to Tk 25 in the district town. Shortly afterwards, the price shot up to Tk 35.

Since then, it has continued to rise at both retail and wholesale, with a recent increase

Ghulam Rahman, president of the Consumers Association of Bangladesh (CAB), blamed a lack of market monitoring and a mentality of businesses to avail excess profits.

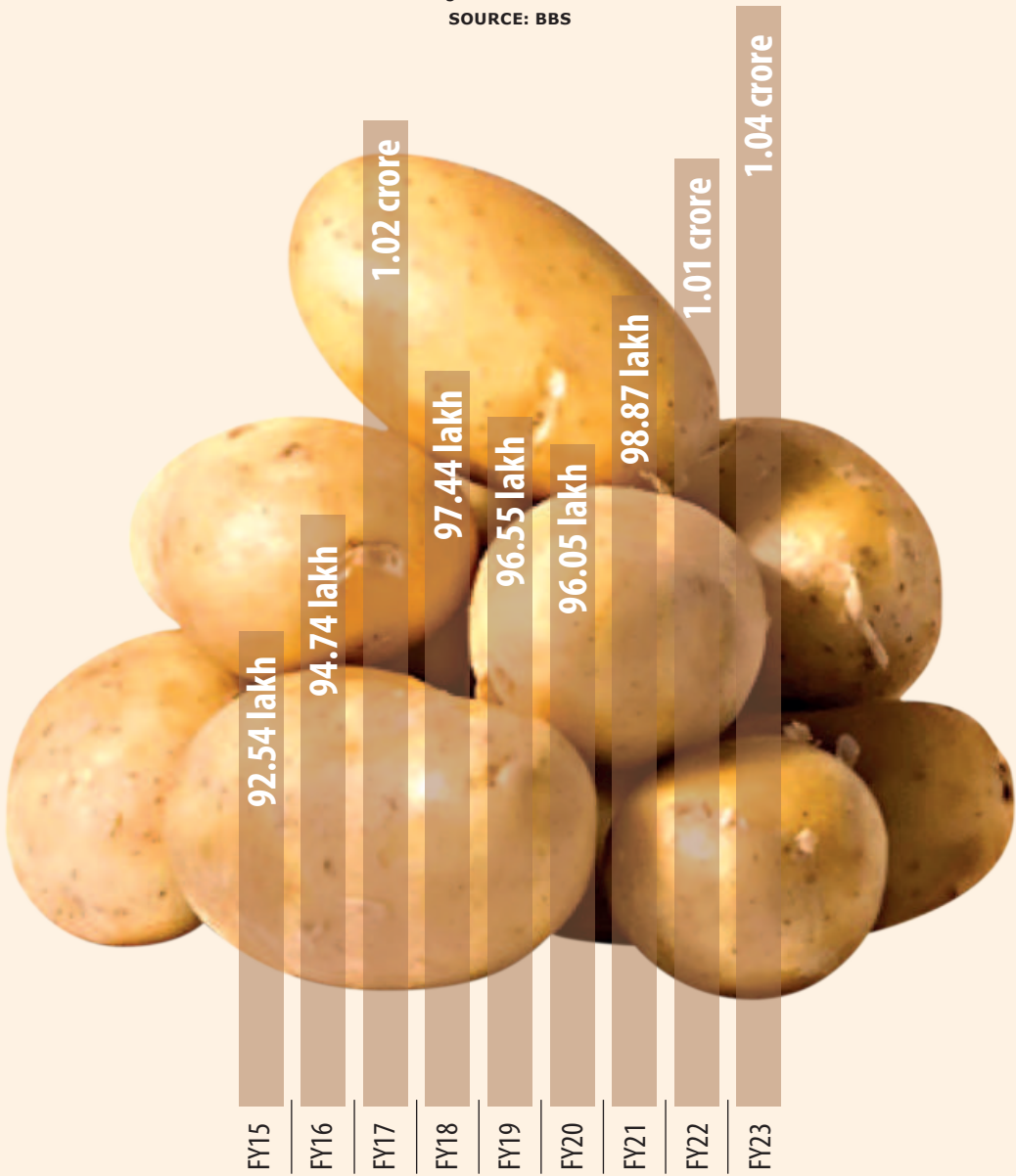
“When potato production remains at a surplus, the hike of price is not acceptable,” he said.

AHM Shafiquzzaman, director general of the DNCRP,

POTATO PRODUCTION

(Figures in tonnes)

SOURCE: BBS



yesterday.

One of them, Jewel Mollah, said he bought each kilogramme at Tk 42 from Karwan Bazar and was selling it for Tk 45.

Nasir Uddin, a wholesaler in Karwan Bazar, one of Dhaka’s biggest kitchen markets, said each 65-kg bag was selling for Tk 2,470 where it was Tk 2,145 one or two weeks back.

The price hike has also hit north of the country, where a lion’s share has been produced.

Traders, particularly those in Rail-Bazarhat and Bahadurbazar of the

of Tk 5 per kilogramme.

Md Sumon Ali, a wholesaler in Railbazarhat, Dinaipur, said the frequent price fluctuations were primarily driven by shifts in supplies. He was charging up to Tk 45 per kilogramme on Monday.

Shafiqul Islam, another wholesaler in Dinaipur, linked the surge to market manipulation by big traders.

He said high prices of other vegetables have compelled consumers to switch to potatoes, thereby increasing potato consumption in the country.

said they lacked manpower to comprehensively monitor the market.

“It’s difficult to monitor all products in the kitchen market. When any product’s price becomes abnormal, we immediately take action,” he said.

“We don’t have the market price or details of production cost. The Department of Agricultural Marketing should have taken steps in this regard,” he said.

Seeking anonymity, a DNCRP official said market stocks did not reflect the agricultural data.

Toyota’s Japan production at standstill

System failure hits assembly plants

REUTERS, Tokyo

Toyota Motor Corp on Tuesday said it has suspended operations at all 14 of its assembly plants in Japan due to a production system malfunction, bringing domestic output to a standstill at the world’s biggest-selling automaker.

The glitch is preventing Toyota from ordering components and its cause is under investigation, though it is “likely not due to a cyberattack”, a spokesperson said.

Toyota suspended 12 plants in its home market from Tuesday morning and added the final two from the afternoon, the spokesperson said. It was unclear how much output would be lost.

The plants together account for about a third of the automaker’s global production, Reuters calculations showed.

Toyota’s domestic production had been on the rebound after a series of output cuts it blamed on semiconductor shortages. Output was up 29 percent in January-June, the first such increase in two years.

Its Japan output averaged about 13,500 vehicles daily in the first half of the year, Reuters calculations showed. That excludes vehicles from group automakers Daihatsu and Hino.

Operations were halted for a day last year when a supplier suffered a cyberattack, hampering Toyota’s ability to order parts. Toyota resumed operations using a back-up network.

Analysts said Toyota could be tested in making up for output lost during the outage, such as by running extra shifts.

READ MORE ON B2

India cuts prices of cooking gas

REUTERS, New Delhi

India cut the price of cooking gas for households on Tuesday by about 18 percent to rein in inflation ahead of crucial state and general elections.

The government reduced the price by 200 rupees (\$2.42) on a 14.2-kilogram (33 pounds) cooking gas cylinder sold to 330 million households, Information Minister Anurag Thakur told reporters.

The decision will impact about 100 million low-income families who form a key voter base and have felt the pinch of the rise in food prices over the last few months, as India’s annual inflation rose to a 15-month high in July.

Prime Minister Narendra Modi’s government has been criticised by the opposition over high inflation and the price of liquefied petroleum gas ahead of crucial elections in five states in the coming months and national elections in mid-2024.

The government will have to spend an additional 40 billion rupees for the enhanced cooking gas subsidy, in addition to about 76 billion rupees it has budgeted for the current fiscal year.

“The reduction in prices is aimed at providing direct relief to families and individuals, while also supporting the government’s larger goal of ensuring affordable access to essential items,” Oil Minister Hardeep Singh Puri said in a statement.

The cut will double the subsidy support provided to the country’s 96 million poor under a welfare programme, increasing it to 400 rupees per cylinder as part of the “Ujjwala scheme”.

The subsidy extension on cooking gas was one of the key factors that helped Modi win the 2019 general election.

The federal cabinet has also approved a plan to provide free cooking gas stove and connection to 7.5 million new beneficiaries under the scheme, Thakur said.

India imports about 60 percent of its liquefied petroleum gas requirement, and Thakur said LPG prices globally have surged 303 percent since April 2020.

ChatGPT turns to business as popularity wanes

AFP, San Francisco

OpenAI on Monday said it was launching a business version of ChatGPT as its artificial intelligence sensation grapples with declining usership nine months after its historic debut.

ChatGPT Enterprise will offer business customers a premium version of the bot, with “enterprise grade” security and privacy enhancements from previous versions, OpenAI said in a blog post.

The question of data security has become an important one for OpenAI, with major companies, including Apple, Amazon and Samsung, blocking employees from using ChatGPT out of fear that sensitive information will be divulged.

“Today marks another step towards an AI assistant for work that helps with any task, is customized for your organization, and that protects your company data,” OpenAI said.

The ChatGPT business version resembles Bing Chat Enterprise, an offering by Microsoft, which uses the same OpenAI technology through a major partnership.

ChatGPT Enterprise will be powered by GPT-4, OpenAI’s highest performing model, much like ChatGPT Plus, the company’s subscription version for individuals, but business customers will have special perks, including better speed.

“We believe AI can assist and elevate every aspect of our working lives and make teams more creative and productive,” the company said.

READ MORE ON B2

India’s 5 lakh tonnes of rice shipments postponed after new duty

REUTERS, Mumbai

India’s move to impose a 20 percent duty on exports of parboiled rice has prompted buyers and sellers to postpone shipments of around 500,000 metric tons to after mid-October to avoid paying the tax, three leading exporters told Reuters on Tuesday.

The delay in shipments from the world’s biggest exporter of rice could deplete inventories in importers such as Benin, Ghana, Côte d’Ivoire, and Liberia, and boost local prices in those countries, which are already near multi-year highs.

India, which is scrambling to rein in inflation ahead of state elections later this year, on Friday expanded curbs on rice exports with a 20 percent duty on parboiled rice that would be effective until October 15.

“Buyers are postponing the shipments; nobody is willing to pay the duty,” said Himanshu Agarwal, executive director at Satyam Balajee, an exporter.

Shipments of around 500,000 tons have been put on hold, said BV Krishna Rao, president of the Rice Exporters Association (REA).

Indian exporters were offering 5 percent broken parboiled variety last week at \$450-\$455 per metric ton, but since then have raised prices to a record

\$520 to \$540, exporters said, up nearly 40 percent from a year ago.

“Even before India imposed the duty, buyers were uncomfortable with the rising



Labourers use shovels to separate rice husk from the grain at a wholesale grain market in Amritsar.

PHOTO: AFP/FILE