

Airbus cuts 2024 aircraft delivery target

AFP, Paris

European aerospace giant Airbus said Monday it would deliver fewer aircraft than previously planned in 2024 due to supply chain problems.

It also announced it would book a charge of 900 million euros (\$965 million) for its satellite business.

"In commercial aircraft, Airbus is facing persistent specific supply chain issues mainly in engines, aerostructures and cabin equipment," the company said in a statement.

It said it now intends to deliver around 770 commercial aircraft in 2024, down from the 800 it forecast at the beginning of the year.

It delivered 735 commercial aircraft last year.

Deliveries are key for Airbus's finances as it gets paid when aircraft are transferred to customers.

Airbus also announced that Space Systems management team had conducted an extensive review of all programmes and decided to make the 900-million euro charge against first-half earnings.

It said the charge was "mainly related to updated assumptions on schedules, workload, sourcing, risks and costs over the lifetime of certain telecommunications, navigation and observation programmes".

Airbus also reduced its forecast for 2024 operating earnings to 5.5 billion euros, down from its previous guidance of between 6.5 and 7.0 billion euros.

Prime Bank arranges training programme in Chattogram



Arief Hossain Khan, executive director of Bangladesh Bank Chattogram office, poses for photographs with participants of a training programme organised by Prime Bank in Chattogram recently.

PHOTO: PRIME BANK

STAR BUSINESS DESK

Prime Bank recently organised a daylong training and awareness programme, styled "AML & CFT Compliance & Awareness", in Chattogram City.

Arief Hossain Khan, executive director of the Bangladesh Bank Chattogram office, inaugurated the programme as chief guest, according to a press release.

Md Ziaur Rahman, deputy managing director and CAMICO of Prime Bank, chaired the event, where Md Arifuzzaman, director of the Bangladesh Bank Chattogram office, was present as special guest.

The training programme, which was divided into four sessions, was conducted by Arifuzzaman and officials of the anti-money laundering (AML) and combatting the financing of terrorism (CFT) divisions

of Prime Bank.

The sessions covered various important topics related to the role and responsibility of bankers in combatting money laundering and financing of terrorism.

A total of 150 officials participated in the training programme.

Among others, Md Iqbal Hossain, deputy managing director and deputy CAMICO of Prime Bank, was also present.

Pubali Bank opens relocated Dhaka Stadium corporate branch

STAR BUSINESS DESK

Pubali Bank recently opened a relocated Dhaka Stadium corporate branch with a view to providing more advanced and modern banking services to its customers.

Mohammad Esha, deputy managing director of the bank, inaugurated the branch as chief guest, the bank said in a press release.

In his speech, Esha said that Pubali Bank has been providing a host of services to its customers since 1959 and promised to maintain its traditions.

"Pubali Bank gives priority to providing the opportunities and advantages to the doorsteps of the customers through application of modern technologies," he said.

Alamgir Zahan, head of the new branch, presided over the ceremony. Mosammat Shahida Begum, general manager and division head of establishment and general services division, Md Moniruzzaman, deputy general manager and regional manager for Narayanganj, and Mohammad Mizanur Rahman, assistant general manager and public relations officer, among others, were also present.



Mohammad Esha, deputy managing director of Pubali Bank, cuts a ribbon to inaugurate the relocated Dhaka Stadium corporate branch recently.

PHOTO: PUBALI BANK

Gold ticks up as investors await more clarity on US rate path

REUTERS, London

Gold prices edged higher on Tuesday as a weaker Chinese currency supported demand in Asia, while investors awaited the US inflation data due later this week to gain more certainty on the timing of future US rate cuts.

Spot gold rose 0.1 percent to \$2,335.30 per ounce by 1044 GMT.

The non-yielding bullion is down 4.7 percent from a record high of \$2,449.89 touched on May 20 amid a rally which happened against traditional headwinds such as a strong dollar and high interest rates.

"Gold has de-coupled from its traditional drivers just now and the prices are driven by sentiment in China amongst new players who are taking highly leveraged positions," said independent analyst Ross Norman.

"The problem for them is they have driven prices above where most others see the fair value price of gold. So it is yo-yoing in a trading range on relatively light volumes with modest participation from US and European investors."

In China, yuan hit its weakest since mid-November against the dollar on Tuesday, supporting demand for gold from local investors looking for a currency depreciation hedge. The yuan is set for its sixth straight monthly decline in June.

"Whether the West adjusts its perception of the fair value price of gold upwards and participates more fully, or the East lowers its expectations for prices downwards as gravity takes hold is the key question," Norman added.

In the West, traders were waiting for the US first-quarter gross domestic product (GDP) estimates due on Thursday and the personal consumption expenditures (PCE) price index report on Friday.

"The upside price potential for gold is limited in the short term, as the first interest rate cut in the US is only expected to take place at the end of the year," Commerzbank said in a note.

Meanwhile, global physically-backed gold exchange traded funds (ETFs), a crucial category of demand, saw inflows last week - of \$212 million, or 2.1 metric tons, according to the World Gold Council. It estimates the net outflows since the start of 2024 at \$7.3 billion.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (JUNE 25, 2024)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 68-Tk 7	7.35 ↑	8.15 ↑
Coarse rice (kg)	Tk 50-Tk 54	4.00 ↑	6.12 ↑
Loose flour (kg)	Tk 40-Tk 45	6.25 ↑	-20.56 ↓
Lentil (kg)	Tk 105-Tk 110	0	13.16 ↑
Soybean (litre)	Tk 150-Tk 155	3.39 ↑	-10.82 ↓
Potato (kg)	Tk 55-Tk 60	9.52 ↑	53.33 ↑
Onion (kg)	Tk 85-Tk 90	20.69 ↑	29.63 ↑
Egg (4 pcs)	Tk 50-Tk 54	6.12 ↑	11.83 ↑

SOURCE: TCB



Md Ashraful Kabir, member (investment promotion) of the Bangladesh Export Processing Zones Authority, and Li Tanning, director of Alpen Banyan Garments BD Company Ltd, shake hands and exchange signed documents of an agreement at the Bepza Complex in Dhaka yesterday. Story on B4

PHOTO: BEPZA

Scholz urges EU, China to 'seize opportunity' in tariff talks

AFP, Berlin

German Chancellor Olaf Scholz Monday urged China and the EU to "seize the opportunity" after the two sides began talks to resolve a row over proposed tariffs on imported Chinese electric cars.

The European Union warned this month that it would slap additional duties of up to 38 percent on Chinese electric vehicle imports from July after an anti-subsidy probe, in a move that risks provoking a bitter trade war.

At the weekend, the EU said its trade chief and his Chinese counterpart held "candid and constructive" talks on the issue, with the two sides to have further consultations.

Speaking at the annual conference of the influential BDI industry lobby, Scholz said it was "important" for the EU and Beijing to "seize the opportunity by the end of the month... to reach an understanding".

"There is still a little time" until the tariffs come into force, he added.

Germany has been rattled by the EU's move, as its auto makers have massive investments in China that could be affected by any retaliatory measures, and has expressed hope the dispute can be resolved via negotiations.

Scholz also stressed however there would need to be "serious movement and progress from the Chinese side" for an agreement to be reached. Economy Minister Robert Habeck, speaking at the same event, warned that in the event of a trade war triggered by the higher tariffs "everyone would lose".

Habeck visited China last week, during which he stressed that the door was open for talks on the issue and the proposed tariffs were not supposed to be "punitive".

For German auto titans Mercedes-Benz, Volkswagen and BMW, the Chinese market represents up to 36 percent of their sales. Brussels's anti-subsidy probe was aimed at defending European manufacturers in the face of a surge of cheaper Chinese imports, but it sparked fury in Beijing.

Chinese firm

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BD Company, signed an agreement in this regard at Bepza Complex in Dhaka yesterday.

Maj Gen Abul Kalam Mohammad Ziaur Rahman, executive chairman of Bepza, thanked Alpen Banyan for choosing Bepza Economic Zone as its investment destination.

Rahman welcomed investments for Bepza Economic Zone from readymade garments and textile sector and encouraged businesses to invest more in diversified sectors like automobile, electronics and electrical and information technology products.

Investors from home and abroad shared positive responses over Bepza Economic Zone, the largest venture of Bepza, he said.

So far, some 29 companies have signed agreements to invest \$688 million in Bepza Economic Zone.

In addition to readymade garments and textiles, these companies are scheduled to produce diversified products such as footwear and footwear accessories, tents and camping equipment, hair care products and accessories, lubricating oil and disposable cutlery.

Three companies have already started running commercial production inside Bepza Economic Zone while three more are expected to make their first export by this year.

Dollar reined in by threat of Japanese intervention

REUTERS, London

The dollar backed off the key 160 yen level on Tuesday, as fears of intervention from Japanese officials deterred traders from punishing the yen too severely against any other currencies.

Elsewhere, bitcoin recovered some lost ground after its worst day in more than two months at the start of the week, in part due to flows out of bitcoin exchange-traded funds (ETFs), analysts said.

The dollar was last 0.1 percent lower at 159.43 yen, clinging to a tight range, as traders remained wary of testing a level that prompted a 9.79 trillion yen (\$61.33 billion) currency intervention from Tokyo in

late April and early May.

That kept the yen hemmed in and stopped it hitting fresh lows against other currencies, with sterling sitting just below a 16-year high at 202.34 yen.

"The market is showing ... that they are nervous, and they are very much on edge about this situation," said Chris Weston, head of research at Pepperstone.

"There are inherent risks to being short the Japanese yen now as a carry trade, which is of course what (authorities) want to see.

"The first port of call is to tell currency speculators and people holding for carry that you're on notice, if you hold those positions now, you run the risk of a 400, 500-

pip drop in dollar/yen."

The latest decline in the yen has come on the back of the Bank of Japan's (BOJ) June policy meeting, where policymakers disappointed investors who were betting on an immediate reduction of the BOJ's massive bond purchases.

Minutes of the meeting out on Monday showed the central bank debated the chance of a near-term interest rate hike with one policymaker calling for an increase "without too much delay".

In the broader market, the dollar eased slightly ahead of Friday's release of the US personal consumption expenditures (PCE) price index - the Federal Reserve's preferred measure of inflation.

Sri Lanka to sign debt restructuring deal

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approximately \$5.9 billion of outstanding public debt and involved a mix of extending the maturity of long-term borrowings and reducing interest rates on the credit.

The majority of the debt is owed to Japan and India, which chair the OCC along with France.

A provisional agreement with the OCC was reached in November.

Sri Lanka, which has roughly \$37

billion in external debt, still needs to hammer out an agreement on \$12.5 billion owed to private bondholders as well as a final deal with the Export-Import Bank of China on \$4.2 billion in loans.

Aided by a \$2.9 billion bailout package from the International Monetary Fund, Sri Lanka's economy is expected to grow 3 percent in 2024 after two years of contraction.

Startups

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online presence, data storage, and application deployment.

The tax imposition on this segment will increase the cost of doing business for the startups.

Investments in Bangladeshi startups plummeted 70 percent quarter-on-quarter to approximately \$6.7 million in January-March due to the ongoing global funding downturn.

Compared to the same period last year, the decline is even steeper at 82 percent, according to LightCastle Partners, a management consulting firm.