

US to propose Basel rule revisions this month

REUTERS

The US Federal Reserve and other regulators are set to unveil sweeping changes to a raft of proposed banks capital rules as soon as Sept. 19, Bloomberg News reported on Friday, citing people familiar with the matter.

The revisions could run up to 450 pages and would include key changes to rules that center on operational risk provisions including a reduction in the capital that banks must allocate against business lines like wealth-management services and certain credit-card operations, the report added.

The new revised proposal would also reduce the market-risk requirement for the country's biggest lenders, which would not face as stringent requirements around mortgages or tax-equity exposures, the report said.

Next Tuesday, Fed vice chair Michael Barr will preview the regulators' revised proposal and explain the next steps at the Hutchins Center on Fiscal & Monetary Policy, Brookings said in a blog post.

Regulators began rolling out the Basel III rules after the 2007-2009 global financial crisis forced taxpayers to bail out several undercapitalized banks.

City Bank, Probashi Kallyan Bank sign remittance deal



Md Mazibur Rahman, managing director of Probashi Kallyan Bank, and Mashrur Arefin, managing director and CEO of City Bank PLC, shake hands and exchange signed documents of an agreement at the Ministry of Expatriates' Welfare and Overseas Employment in Dhaka yesterday. Asif Nazrul, adviser of the ministry, was present.

PHOTO: CITY BANK

STAR BUSINESS DESK

City Bank PLC yesterday signed an agreement with Probashi Kallyan Bank (PKB) in a bid to bring remittances from Bangladeshi nationals living and working in different countries across the world.

Mashrur Arefin, managing director and CEO of City Bank PLC, and Md Mazibur Rahman, managing director of Probashi Kallyan Bank, penned the deal

at the Ministry of Expatriates' Welfare and Overseas Employment in Dhaka, said a City Bank press release.

Asif Nazrul, adviser of the expatriates' welfare ministry, presided over the signing ceremony.

Under this agreement, workers who have gone abroad after borrowing from PKB will now be able to send their remittances to PKB by using City Bank as a vehicle. They will also be able to withdraw

cash from PKB branches.

This will make pay loan instalment payments to PKB easier, said the press release.

The initiative in its second phase will see the workers sending their remittances directly to PKB through City Bank's partner exchange companies abroad.

Among others, Md Ruhul Amin, chairman of PKB and secretary of the ministry, was present.

Zakaria Taher new chairman of National Bank risk management committee

STAR BUSINESS DESK



Zakaria Taher has been elected the chairman of the Risk Management Committee of National Bank Limited.

The election was held during the bank's 505th meeting of the board of directors recently, the bank said in a press release.

Taher is a director of the bank. He is a distinguished entrepreneur and businessman in Bangladesh.

He is the chairman of TS Holdings, Purbachal Drillers, and TS Packaging.

Taher is the managing director of several companies, including Armana Limited, Armana Apparels, Armana Fashion, Armach Logistics, Denimach Limited, Denimach Washing, Zyta Apparels, and Jeans Culture.

He obtained his bachelor's degree in business management from the University of West Virginia, USA.

Gold drops from near-record level

REUTERS

Gold prices eased on Friday, retreating from near-record levels reached earlier in the session, after mixed US jobs data cast doubts on the scale of interest-rate cut from the Federal Reserve later this month.

Spot gold fell 0.8 percent to \$2,495.86 per ounce by 1:59 p.m. ET (1759 GMT), having hit its highest since Aug. 20, when gold last scaled a record peak.

Midland Bank, Kokomo Sunset Resort sign MoU on service benefits



Md Rashed Akter, head of retail distribution division of Midland Bank, and Md Bayazid Bin Mahfuz, head of sales and marketing of Kokomo Sunset Resort, pose for photographs after signing a memorandum of understanding at the bank's head office in the capital's Gulshan recently.

PHOTO: MIDLAND BANK

STAR BUSINESS DESK

Midland Bank PLC recently signed a memorandum of understanding (MoU) with Kokomo Sunset Resort located in Gazipur.

Md Rashed Akter, head of the retail distribution division of the bank, and Md Bayazid Bin Mahfuz, head of sales and marketing of the resort, penned the MoU at the bank's head office in Dhaka's Gulshan, said a press release.

Under this agreement, all the cardholders of the bank will enjoy a 50 percent discount on regular room tariff, a 10 percent discount on lunch, dinner and breakfast (full board package of any season) and a 10 percent discount on the al-a-carte menu from the resort.

Located on Pabur road at Kapasia, the resort is an enchanting blend of nature's embrace and contemporary luxury in the Bhawal Rajabari district of Gazipur. It is just a 40-minute drive from Dhaka.

Among others, Md Abed-Ur-Rahman, head of cards of the bank, Md Rashadul Anwar, head of the public relations division, and Sazal Ahmed, merchant relationship officer, and Md Tarikul Islam, senior sales and marketing executive of the resort, were also present.

China's global battery ram will be hard to stop



REUTERS, Hong Kong

China's electric cars have zoomed into a new era of battery-powered driving. Now models such as BYD's Seal and Great Wall Motor's Funky Cat face an international backlash. The US is quadrupling duties on imports of electric vehicles from the People's Republic to more than 100 percent, while the European Union is lifting total tariffs close to 50 percent for some marques. The Chinese-made batteries that power the vehicles are an obvious next target for trade restrictions. But that battle will be even harder for the West to win.

China is a battery powerhouse. The \$115 billion Contemporary Amperex Technology, and its smaller compatriots accounted for two-thirds of the global market for power cells used in electric cars in the first half of 2024, Bernstein analysts reckon. Companies from the People's Republic are also growing faster: installations by SVOLT Energy Technology more than doubled in the period from January to June, while those from rivals CALB, Guoxuan, CATL and BYD all grew by more than a fifth compared to 2023. They're profitable too, with CATL raking in more than 40 billion yuan (\$5.6 billion) in earnings last year.

Much of that output is exported: the total volume of lithium battery units leaving China roughly doubled between 2015 and 2023, according to the International Trade Centre. The US and Europe have become major buyers of Chinese cells, squeezing local operators like Sweden's Northvolt.

Now Western policymakers are pushing back. President Joe Biden in May laid out plans to hike tariffs on imports of batteries and their parts to 25 percent, from the previous 7.5 percent. His flagship Inflation Reduction Act, which subsidises electric cars by up to \$7,500, from 2025 explicitly excludes vehicles for which battery materials were extracted, processed or recycled by a "Foreign Entity Of Concern". That term covers companies



An employee is seen working at a factory that produces lithium battery for export, in Huaibei, eastern China's Anhui province. The total volume of lithium battery units leaving China roughly doubled between 2015 and 2023.

PHOTO: AFP/FILE

headquartered or incorporated in China, and firms where the government holds 25 percent or more of its equity, voting rights or board seats. Chinese manufacturers are also excluded from the Bipartisan Infrastructure Law's \$6 billion of credits for batteries and the critical minerals required to make them.

EU policymakers in Brussels are erecting similar barriers for Chinese-made batteries. They have not introduced additional tariffs, but a slew of guidelines on local and responsible sourcing makes trade increasingly costly and complex. So will the EU's proposed carbon border tax, which will impose levies on emissions-intensive imports, including cars and related parts from 2030.

These efforts are likely to intensify as political relationships become testier. US efforts to minimise the country's dependence on its main strategic rival have broad bipartisan support. Officials are also anxious about the presence of Chinese tech in so-called dual-use products that

have military applications. Batteries are crucial for submarines and drones.

And although the IRA is one of Biden's signature policies, Donald Trump would probably hesitate to reverse it wholesale if he returns to the White House. Battery-related investments spurred by the tax credit scheme are concentrated in Republican-leaning states, UBS analyst Tim Bush points out.

To successfully unplug from Chinese suppliers, however, Western countries will need to develop alternatives. Korean battery giants such as LG Energy Solution, SK On and Samsung SDI, which account for a combined global market share of 23.5 percent, are expanding in the US and the European Union. However, relying on this trio has downsides, because they lag larger Chinese rivals' technical prowess. None have so far managed to ramp up mass production of increasingly popular lithium-iron phosphate cells, for instance.

Women ride Pakistan's economic crisis

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buses decorated with chinking bells, with a handful of women stepping out amid the crowd of men.

Nineteen-year-old Anum Shahzadi, who works in the same factory inputting data, was encouraged by her parents to enter the workforce after completing high school, unlike generations before her.

"What is the point of education if a girl can't be independent," said Shahzadi, who now contributes to the household alongside her brother.

Bushra Khaliq, executive director for Women In Struggle for Empowerment (WISE) which advocates for political and economic rights for women, said that Pakistan was "witnessing a shift" among urban middle class women.

"Up until this point, they had been told by society that taking care of their homes and marriage were the ultimate objective," she told AFP.

"But an economic crunch and any social and economic crises bring with them a lot of opportunities."

Farzana Augustine, from Pakistan's minority Christian community, earned her first salary last year at the age of 43, after her husband lost his job during the Covid-19 pandemic.

"My wife had to take over," Augustine Saddique explained to AFP.

"But it is nothing to be sad about, we are companions and are running our house together."

The sprawling port metropolis of Karachi, officially home to 20 million people but likely many millions more, is the business centre of Pakistan.

It pulls in migrants and entrepreneurs from across the country with the promise of employment and often acts as a bellwether for social change.

Nineteen-year-old Zahra Afzal moved to Karachi to live with her uncle four years ago, after the death of her parents, leaving her small village in central-eastern Pakistan to work as a childminder.

"If Zahra was taken by other relatives, she would have been married off by now," her uncle Kamran Aziz told AFP, from their typical one room home where bedding is folded away in the morning and cooking is done on the balcony.

"My wife and I decided we would go against the grain and raise our girls to survive in the world before settling them down."

Afzal beams that she is now an example for her sister and cousin: "My mind has become fresh."

Canada jobless rate rises

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The Bank of Canada, on the heels of two recent cuts, this week trimmed its key lending rate to 4.25 percent. Inflation, meanwhile, has fallen to 2.5 percent -- at the higher end of the central bank's 1-3 percent target.

According to Statistics Canada, employment rose in August in educational services, health care and social assistance, and finance, insurance, real estate, rental and leasing.

It declined in "other services" such as personal and repair services, as well as professional, scientific and technical services, utilities, and natural resources.

Gains in part-time work (+66,000) were largely offset by a decline in full-time jobs (-44,000). An increase in the number of jobs in the private sector also offset losses in the previous month.

Most of the small number of net new jobs went to women.