

Oil settles down

AFP, Houston

Oil prices settled lower on Friday but rose for the second straight week as investors weighed factors such as possible supply disruptions in the Middle East and Hurricane Milton's impact on fuel demand in Florida.

Brent crude oil futures settled down 36 cents, or 0.45 percent, at \$79.04 a barrel. EDT, US West Texas Intermediate crude futures settled down 29 cents, 0.38 percent, to \$75.56 per barrel.

For the week however, both benchmarks rose by more than 1 percent. Money managers raised their net long positions on Brent crude by 123,226 contracts to 165,008 in the week to Oct. 8, according to the Intercontinental Exchange.

"Markets can feel the tension, as Israel contemplates the size and form for their response to Iran's massive missile attack. If Israel destroys Iran's oil & gas infrastructure, prices will rise," said chief economist at Matador Economics, Tim Snyder, in a note on Friday.

Crude benchmarks spiked so far this month after Iran launched more than 180 missiles against Israel on Oct. 1, raising the prospect of retaliation against Iranian oil facilities. Israel has yet to respond.

"\$75 per barrel for WTI is sort of the fair value area for elevated tensions," said John Kilduff, partner at Again Capital in New York.

Israeli Defence Minister Yoav Gallant has said that any strike against Iran would be "lethal, precise and surprising."

"We need to wait and see how Israel responds, but I think until that point the oil market will keep a risk premium," said UBS analyst Giovanni Staunovo.

Prime Bank signs deal with Ramada by Wyndham Cox's Bazar



Md Nazeem A Choudhury, deputy managing director of Prime Bank, and Chevan Gooneratne, general manager of Ramada by Wyndham Cox's Bazar, pose for photographs at an agreement signing ceremony.

PHOTO: PRIME BANK

STAR BUSINESS DESK

Prime Bank PLC has recently partnered with Ramada by Wyndham Cox's Bazar.

Under this agreement, Prime Bank customers will get exciting offers at the luxurious hotel in Kolatoli area of the

beach town, according to a press release.

Md Nazeem A Choudhury, deputy managing director of Prime Bank, and Chevan Gooneratne, general manager of Ramada by Wyndham Cox's Bazar, signed the agreement on behalf of their respective organisations.

Tamanna Quadry, head of Priority Banking of Prime Bank, and Beni Amin, senior assistant manager, sales and marketing of Ramada by Wyndham Cox's Bazar, and other senior officials from both organisations were also present at the event.

Boeing to cut 10% of workforce as it sees big Q3 loss

AFP, New York

Boeing announced that it plans to cut 10 percent of its workforce as it projected a large third-quarter loss amid a machinist strike in the Seattle region.

The aviation giant must "reset our workforce levels to align with our financial reality," Chief Executive Kelly Ortberg said on Friday, adding that the cuts of 17,000 positions globally "will include executives, managers and employees."

The company announced a series of belt-tightening measures and production delays as the nearly monthlong strike of 33,000 workers has added to the company's litany of problems.

Boeing staff with the International Association of Machinists (IAM) and Aerospace Workers walked off the job on September 13 after overwhelmingly rejecting a contract offer.

IAM officials did not immediately respond to a request for comment from AFP.

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Boeing, which has also faced significant scrutiny over commercial aviation safety lapses and stumbles in its Starliner space program, said the IAM strike contributed to \$3 billion in pre-tax charges to its commercial aviation results in the third quarter, part of an anticipated loss of \$9.97 per share.

"While our business is facing near-term challenges, we are making important strategic decisions for our future and have a clear view on the work we must do to restore our company," Ortberg said in a press release.

"These decisive actions, along with key structural changes to our business, are necessary to remain competitive over the long term."

Details of the cuts would come next week, he said. As a result of the strike, Boeing said it is pushing back first delivery of the 777X to 2026 from 2025. The much-delayed jet was originally supposed to enter service in January 2020.

The company plans to cease production of the 767 Freighter in 2027 once it completes production on current orders.

NCC Bank unveils four new products to support small businesses



M Shamsul Arefin, managing director and CEO of NCC Bank, unveils the bank's SME products at SME Relationship Managers' Meet at NCC Bank Bhaban in Dhaka recently.

PHOTO: NCC BANK

STAR BUSINESS DESK

NCC Bank has launched four new products to support cottage, micro, small and medium enterprise (CMSME) entrepreneurs, with credit facilities ranging from Tk 1 lakh to Tk 10 crore.

These are NCC Commercial Building Loan, NCC Commercial Vehicle Loan, NCC Supply Chain Finance and NCC Business Account, according to a press release.

M Shamsul Arefin, managing director and CEO of the bank, recently unveiled the products at the SME Relationship Managers' Meet at NCC Bank Bhaban in Dhaka. He hoped the customised products would help CMSMEs in meeting their needs.

Mahbub Alam, Mohd Rafat Ullah Khan, Md Monirul Alam and Mohammed Mizanur Rahman, deputy managing directors, Mohammed Anisur Rahman, senior executive vice-president and chief information officer, and Mohammad Ridwanul Hoque, executive vice-president and head of Strategy & Emerging Business, joined the programme.

Syed Hasnain Mamun, head of Human Resources Division, Sharif Mohammad Mahsin, senior vice-president and head of SME, Nighat Mumtaz, head of Women Banking and Sustainable Finance, Shahin Akter Nuha, head of Cash Management and Md Solaiman-Al-Rajji, head of CRM-CMSME, along with other officials were also present at the occasion.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (OCT 12, 2024)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 64-Tk 80	0	9.09 ↑
Coarse rice (kg)	Tk 50-Tk 55	-1.87 ↓	7.14 ↑
Loose flour (kg)	Tk 40-Tk 45	2.41 ↑	-2.30 ↓
Lentil (kg)	Tk 105-Tk 110	0	0
Soybean (litre)	Tk 152-Tk 156	.65 ↑	-2.22 ↓
Potato (kg)	Tk 50-Tk 60	-1.79 ↓	29.41 ↑
Onion (kg)	Tk 110-Tk 120	0	24.32 ↑
Egg (4 pcs)	Tk 55-Tk 60	7.48 ↑	7.48 ↑

SOURCE: TCB

US consumer inflation eases to 2.4% in September

AFP, Washington

US consumer inflation cooled last month -- though slightly less than expected -- according to government data published Thursday, providing further evidence that price pressures are easing ahead of November's presidential election.

The consumer price index (CPI) slowed to 2.4 percent in September from a year ago, down from 2.5 percent in August, the Labor Department said in a statement.

This was slightly above the median forecast of economists surveyed by Dow Jones Newswires and The Wall Street Journal.

There was also some cause for concern for the Federal Reserve as it looks to cut interest rates: a measure of inflation that strips out volatile food and energy costs rose slightly to 3.3 percent, up from 3.2 percent in August, buoyed by a jump in the transportation services index last month.

Monthly headline inflation rose by 0.2 percent, while core inflation also exceeded forecasts to increase by 0.3 percent.

Despite the "slight upward surprise relative to what we're expecting," the inflation picture isn't all bad, Oxford Economics' deputy chief US economist Michael Pearce told AFP.

Given "the broader trend in services inflation, I think I'm still confident in the view that that's going to continue to trend lower over the next 12 months," he said.

The economy has remained a top concern for voters going into the upcoming presidential election, in which Democratic Vice President Kamala Harris is running against former president Donald Trump, a Republican.

Both candidates have talked up

their record in government in recent months, while criticizing their opponent's economic plans.

"We keep making progress, with inflation returning to pre-pandemic levels, 16 million jobs created, lower interest rates and low unemployment," Lael Brainard, the White House national economic advisor, said in a statement.

In a speech in Detroit on Thursday, Trump blamed the Fed -- the independent US central bank -- for the "hotter" September inflation data.

"It was too big a cut, and everyone knows that was a political maneuver that they tried to do before the election," Trump said. The former US president has previously indicated he believes the commander-in-chief should have a "say" over interest rates.

"But they did the wrong thing," Trump continued, adding -- without

evidence -- that "inflation has started to rise," as a result of last month's rate cut. Peace from Oxford Economics painted a more nuanced picture.

"If you focus on just the last few months, the economy's I think doing quite well, and would be supportive of the incumbent party," he told AFP.

"But if you focus on the past three and a half, four years, you know, what we have seen is a big drag on real incomes, sluggish growth in terms of real disposable incomes," he added. "And that's obviously a political liability for the Democrats."

While inflation has eased toward the Fed's long-term target of two percent, the labor market has shown some signs of cooling in recent months, causing policymakers to refocus their attention on the employment side of the bank's dual mandate.

Against this backdrop, the Fed voted last month to cut interest rates by half a percentage point and penciled in an additional half point of cuts this year.

The fundamental inflation outlook "remains benign," economists at Pantheon Macroeconomics wrote in a note to clients on Thursday.

"The September CPI report came in slightly hotter than expected, but not enough to meaningfully change the outlook for US inflation," economists at Wells Fargo wrote in an investor note. The data support "a more measured pace of rate cuts," said Pearce.

"I think they're still confident that inflation is heading down, but obviously that, you know, we will see noisy reports like today's," he added. "It's going to be a bumpy process. It's not a glide path down to two percent."



Customers are seen at a Trader Joe's store in Glendale, California. The US consumer price index slowed to 2.4 percent in September from a year ago.

PHOTO: AFP/FILE

China tees up

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Beijing was likely "still working on the minute details of the fiscal stimulus," Heron Lim at Moody's Analytics told AFP.

"In the meantime, investors might be taking a step back until they are absolutely certain of the direction fiscal policy is taking."

On the streets of Beijing on Saturday though, those who spoke to AFP were largely optimistic.

"Everyone has been paying close attention to this meeting, especially since the stock market has recently been experiencing a downward trend," said Quan Sheng, a 41-year-old who works in IT.

"I believe this is definitely positive news... This provides confidence for investors, who believe that the stock market can gradually strengthen," he added.

China's economic uncertainty is fuelling a vicious cycle that has kept consumption stubbornly low.

On Saturday, "notably absent was any mention of large-scale handouts to consumers," said Capital Economics' Julian Evans-Pritchard.

"The lack of forward guidance

on the scale of next year's budget deficit means it is still difficult to judge how large and long-lasting the fiscal boost will be," he added.

In recent weeks, Chinese policymakers have unveiled a string of stimulus measures including a suite of rate cuts and a loosening of rules on buying homes, but economists have warned more action is needed to pull the economy out of its slump for good.

Earlier on Saturday, China's top banks said they would cut lower interest rates on existing mortgages from October 25, following a government call for the action.

"Except for second mortgages in Beijing, Shanghai, Shenzhen and some other regions, the interest rates on other eligible mortgages will be adjusted" to no less than 30 basis points below the prime lending rate, the central bank's benchmark rate for mortgages, state broadcaster CCTV said.

CCTV reported that major banks had announced that they would make the adjustments "in batches".

The People's Bank of China last month requested that commercial banks lower such rates by October 31.

Russia sets price floor

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The agriculture ministry has not yet allocated export quotas for the current season. The union said quota distribution was also discussed at the meeting, without elaborating.

Russia slightly lowered its official estimate for this year's harvest to 130 million tons from 132 million tons previously, after bad weather affected many grain-producing regions this year.

"The Russian government appears to be taking a serious course to reduce wheat exports; it seems they want to keep Russian bread prices down," another trader said.

Independent consultancy Sovecon

published substantially lower grain-harvest estimates on Friday, forecasting the harvest at 122.9 million tons, down from 124.4 million tons previously, citing lower yields in Siberian grain-producing regions.

Russian farmers have so far harvested 122 million tons of grain in gross weight from 92 percent of the seeded area, agriculture ministry officials said.

The country's agriculture minister, Oksana Lut, said on Thursday this year's harvest was sufficient to meet domestic needs. She estimated domestic grain consumption at 85 million to 87 million tons, with the remainder available for export.