



The photo shows a container ship docked at the Kwai Chung container terminal in Hong Kong. It was promising that US-China tensions - however intense - had not blown up into a wider trade war, said IMF and WTO chiefs.

PHOTO: AFP/FILE

US-China trade war clouds global economic outlook

REUTERS, Washington

International finance chiefs are returning home with a measure of relief over the surprising resilience of the global economy to the cascade of policy shocks through the first nine months of Donald Trump's second US presidency but also drained by seemingly never-ending uncertainty over what lies ahead.

When finance ministers and central bankers gathered in Washington in April for the first of the twice-yearly meetings of the International Monetary Fund and World Bank, the anxiety over Trump's just-unveiled "Liberation Day" tariffs was palpable. Six months on at the just-concluded October meetings, that had been replaced by fatigue and wariness that the policy landscape is never fully settled.

"It's been just absolutely exhausting since Liberation Day as a policymaker, trying to make sense and then actually make policy and communicate to the public about this," Bank of Thailand Deputy Governor Piti Disyatat said. "So the uncertainty has been very difficult."

"The global economy appears to be more resilient than we thought several months ago. But there's no room for complacency given various types of uncertainty," said a Japanese delegation official who participated in talks in Washington. "There was a great degree of discussion over uncertainties."

A week of fractious back-and-forth between the US and China drove the point home as Trump responded to new export controls on rare earth minerals from Beijing with the re-

imposition of 100 percent tariffs on Chinese exports to the US.

The re-escalation of tensions between the world's two largest economies sharpened the focus among the hundreds of policymakers taking part in the meetings, amid growing momentum for new trade arrangements outside the US-China orbit.

IMF Managing Director Kristalina Georgieva said she had rarely seen as much constructive engagement at the semi-annual meetings of finance officials and central bankers.

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"It may be because uncertainty is so high that there is no space for theatricals," Georgieva told a banking conference on Saturday. "It may be because now many countries realize that what they took for granted - international cooperation that helps us do better - we should not take for granted."

Georgieva and World Trade Organization chief Ngozi Okonjo-Iweala told participants it was promising that US-China tensions - however intense - had not blown up into a wider trade war, and noted that many countries were in fact seeking to deepen bilateral and regional ties.

New Zealand Finance Minister Nicola Willis told Reuters she expected that trend to gain momentum against the backdrop of increasing geopolitical and economic uncertainty.

She said it was notable that the European Union was now looking to link up with the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, a free trade deal between 11 member countries.

"All of those trade relationships are very strong, and the messages that we're having from our partners is that they wish to continue to build on them and expand them, rather than go the other way," she told Reuters in an interview.

Rania Al-Mashat, Egypt's minister of planning, economic development and international cooperation, told Saturday's event that increased regional cooperation was a "fallout" of global developments, but would remain important going forward.

The situation also focused attention on strains in the global economy, including persistent and "excessive" external balances, near-record debt levels, growing worries about the non-bank sector and disruption from artificial intelligence technologies.

Bank of England Governor Andrew Bailey said frank discussion was needed, given the international community's past failure to identify - and halt - the subprime mortgage developments that triggered the global financial crisis of 2007-2009. Transparency was critical in an opaque world with tight cross-links between banking, insurance and private finance.

China's economy risks sitting on hold for too long

REUTERS, Hong Kong

Chinese planners have to prove their credentials more than ever. For the past couple of years they refrained from a big stimulus package to get the masses spending even as the fallout from the property collapse buffeted the economy. Now trade tensions are taking their toll. It raises the stakes for President Xi Jinping's new five-year plan due this week.

The world's biggest exporter had weathered Washington's tariff war well in the first half of the year. The slowing of GDP growth to 4.8 percent in the three months to the end of September suggests cracks are starting to appear, however. The same economists who predicted that drop in a Reuters poll expect economic expansion to slow to around 4.3 percent in the fourth quarter and beyond.

At the start of this year, Beijing warned against "external shocks" on growth and vowed to boost domestic demand in response. Exports still grew 7.1 percent in the first three quarters as manufacturers turned to other markets in Europe and



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narrative, which was popularized by a JPMorgan report in 2022. Yet shareholders have since been looking for more stimulus, especially for measures to boost demand.

Expectations have been mounting ahead of Chinese leaders huddling this week in a closed-door session to flesh out their 15th five-year development plan for the People's Republic. The previous one, which ran from 2021 to 2025, expanded the world's second-largest economy from \$14.5 trillion to \$18.9 trillion on the back of a 5 percent annual growth. Yet household consumption accounted for just 36 percent of GDP as of September.

Planners' chief task is likely to ensure that the annual 5 percent growth rate remains achievable through the end of the decade. Yet the pressure is growing on them to prove that a consumption-driven economy can also be a planned one.



PHOTO: AFP/FILE

People walk along a food street in Beijing. At the start of this year, China warned against "external shocks" on growth and vowed to boost domestic demand.

Asia. And Chinese officials are keen to stress the economy's nine-month track record by pointing out it grew 5.2 percent, implying it's on track to hit the official growth target for the year of "around 5 percent". Yet consumption has been less of a bright spot. Retail sales only expanded 4.5 percent in the same period, cooling to 3 percent last month.

The People's Bank of China reinforced this wait-and-see approach to stimulus on Monday by keeping its one-year loan prime rate, a benchmark for most corporate loans, unchanged for the fifth consecutive month.

Equity investors might not be as patient. A policy salvo unveiled a year ago, including measures to reinvigorate confidence, fuelled a 26 percent rally in the A-share market. That has helped negate much of the "China is uninvestable"

China's gross domestic product in the three months to the end of September grew 4.8 percent year-on-year, the National Bureau of Statistics said on October 20. That was in line with expectations projected by a Reuters poll of 45 economists. The \$19 trillion economy grew 5.2 percent in the first three quarters of 2025, the Chinese government said.

In a policy decision on October 20, the People's Bank of China kept the one-year loan prime rate, a benchmark for most new loans, unchanged at 3.5 percent for the fifth consecutive month.

The ruling Central Committee of China's Communist Party will hold a closed-door meeting from October 20 to October 23 to discuss the country's 15th five-year development plan that runs from 2026 to 2030.

Citizens Bank holds leadership and team-building training

STAR BUSINESS DESK

Citizens Bank PLC has organised a training programme on "Leadership & Team Building for Work Excellence in Banking" at its Training Academy in Dhaka recently.

Alamgir Hossain, managing director of Citizens Bank PLC, inaugurated the programme as the chief guest and delivered a speech on various aspects of leadership and team building, according to a press release.

Shamsun Nahar, associate professor at the Bangladesh Institute of Bank Management, was also present on the occasion and delivered a valuable speech.

Md Mostafizur Rahman and Md Abdul Latif, deputy managing directors of the bank, along with senior executives and heads of divisions and branches, participated in the day-long programme.



Alamgir Hossain, managing director of Citizens Bank PLC, poses for group photographs with participants of the training on "Leadership & Team Building for Work Excellence in Banking" at the bank's training academy in Dhaka recently.

PHOTO: CITIZENS BANK

Statistics not always manipulated

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policymakers, but also for the private sector.

"Investors need reliable data on market size and the middle class, who are the main consumers, before making investment decisions. So, generation of credible information is an investment in itself," he added.

Mahmud also emphasised that ethics and adherence to international standards are fundamental to statistical integrity.

Referring to political debates surrounding GDP figures, he said while GDP is a critical metric for planning and policy formulation, there are several other indicators that can also be used to measure the state of the

economy.

Anisuzzaman Chowdhury, special assistant to the chief adviser, stressed the importance of quality data in shaping effective, real-time policy.

"Actors across sectors need accurate data to plan their actions. The government, in particular, relies on timely and reliable data to chart its course," he said.

Reflecting on his own experience, Chowdhury highlighted the importance of building a culture of evidence-based decision-making.

"Every dataset tells a story—it's a form of quantitative storytelling. This helps us explore visible options and make

informed choices," he said.

He also underlined the necessity for researchers to have access to raw data. "To make meaningful use of statistics, we must reduce the noise and enhance access. Even imperfect data can be valuable if handled properly," said Chowdhury.

Warning against overuse or misinterpretation, he pointed out the risks of information overload and the temptation to draw premature conclusions.

"Too much data, if not processed wisely, can lead to reactive rather than strategic policymaking," he said.

He reiterated the importance of maintaining integrity and transparency

in how data is used, interpreted, and shared.

"Use of statistics has been growing over the years, making the quality of data crucial for national interest," said Hossain Zillur Rahman, executive chairman of the Power and Participation Research Centre and a former caretaker government adviser.

Rahman said ensuring the quality of statistics requires strong institutions, competent leadership, and skilled manpower. He also stressed the importance of a robust data ecosystem to produce reliable and consistent data.

Project-based statistics may undermine institutional strength,

although such data is often necessary for the private sector," he added.

In a video message, Rachael Beaven, director of the Statistics Division at the United Nations Economic and Social Commission for Asia and the Pacific, underscored the importance of quality statistics in driving development, building trust, and promoting transparency.

"Quality statistics are more than just numbers or samples—they are essential for trust, transparency, and sustainable development," she said.

"To meet the growing demand for real-time and nationally relevant data, we need a whole-of-society approach—one that

engages all stakeholders, from identifying key achievements to disseminating meaningful information," she noted.

In the keynote presentation, Kabir Uddin Ahmed, director of the BBS, underscored its role as the national statistical office, stating that they were producing reliable, timely, and internationally comparable data to support evidence-based policymaking.

Chaired by Aleya Akter, secretary to the Statistics and Informatics Division, Mohammed Mizanur Rahman, director general of the BBS, and Shantanu Mukherjee, acting director of the UN Statistics Division, also addressed the event.

Fall in China's

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Shipments to the United States fell 28.7 percent in September on the month, the data showed, while exports to Vietnam rose 57.5 percent over the same period.

The Netherlands processed 109 percent more rare earth magnets than in August, though the figure is skewed by the huge Rotterdam port, a major transit hub for Europe-bound trade.

Just before the release of the data, President Donald Trump told reporters aboard Air Force One that he did not want China to "play the rare earth game with us".

He suggested he might hold off on raising tariffs back to levels in excess of 100 percent if the world's top agricultural buyer

committed to purchasing US soybeans.

But Beijing shows no sign of backing down, adamant that its new wider curbs, set to take effect just days before the November 10 expiry of the latest 90-day tariff truce with the United States, are consistent with measures in other major economies.

President Xi Jinping is set to meet Trump in South Korea later this month, but economists warn that trade friction between the two biggest economies may be the new normal.

"The surge in exports during the third quarter came after it (China) eased export controls earlier in the year, but that's likely to drop again following the tighter restrictions introduced recently," added EIU analyst Chim Lee.

Trump vows

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An Indian delegation which was in the US last week for talks has returned, the official said, declining to share further details.

An email to India's trade ministry was not immediately answered on Monday, which was a public holiday.

Trump on Wednesday said Modi had assured him that day that India would stop its Russian oil purchases. India's foreign ministry said it was not aware of any telephone conversation between the leaders that day, but said that New Delhi's main concern was to "safeguard the interests of the Indian consumer."

A White House official said on Thursday that India has halved its purchases of Russian oil, but Indian sources said no immediate reduction had been seen.

The sources said Indian refiners already placed orders for November loading, including some slated for December arrival, so any cut may start showing up in December or January import numbers.

India's imports of Russian oil are set to rise about 20 percent this month to 1.9 million barrels per day, according to estimates from commodities data firm Kpler, as Russia ramps up exports after Ukrainian drones hit its refineries.