



The photo shows a production site of German carmaker Volkswagen in Dresden. Germany, Eurozone's largest economy, recorded the weakest performance among the eight nations monitored with the PMI reading hitting a 10-month low. PHOTO: AFP/FILE

# Asia factory activity ends 2025 on firmer footing

## Eurozone manufacturing sinks deeper into contraction

REUTERS, Bengaluru/Singapore

Euro zone manufacturing activity shrank further in December but Asia's factory powerhouses closed 2025 on a firmer footing backed by a rebound in export orders and growing demand for artificial intelligence, private surveys showed.

Factory activity in the common currency bloc slid into deeper contraction last month as production decreased for the first time in 10 months on further declines in new orders.

The HCOB Eurozone Manufacturing Purchasing Managers' Index (PMI), compiled by S&P Global, fell to 48.8 in December from 49.6 in November. It was the lowest reading in nine months and below the 50 level that separates growth from contraction for the second straight month.

Surveys highlighted a broad-based decline in activity in the 20-nation euro zone. Germany, the bloc's largest economy, recorded the weakest performance among the eight nations monitored with the PMI reading hitting a 10-month low. Italy and Spain also slipped back into contraction territory.

"Demand for manufactured products

from the euro zone is slowing down again," said Cyrus de la Rubia, chief economist at Hamburg Commercial Bank. "Companies seem neither able nor willing to build momentum for the coming year, but are instead exercising caution, which is poison for the economy."

France provided a rare bright spot, with its manufacturing PMI jumping to a 42-month high.

In Britain, outside the European Union, activity grew at its fastest pace in 15 months in December, riding a recovery in demand after finance minister Rachel Reeves' budget provided some relief.

### ASIA SHINES

Factory activity in the major tech-exporting economies of South Korea and Taiwan snapped months of declines in December, while most Southeast Asian nations maintained brisk growth.

They followed PMIs released for China on Tuesday, which also showed an unexpected turnaround in factory activity in the world's second-largest economy, helped by a pre-holiday surge in orders.

While it is too early to say whether Asia's largest exporters are adjusting to US tariffs, a pickup in global demand

has given some manufacturers cause for optimism heading into the new year.

US stocks finished mixed on the first trading day of 2026. The Dow rose two-thirds of one percent while the S&P 500 added two tenths, and the Nasdaq was little changed.

"Exports from most countries have surged in recent months, and we think the near-term outlook for Asia's export-oriented manufacturing sectors remains favourable," said Shivaan Tandon, Asia economist with Capital Economics.

He noted that most Asian economies should continue to benefit from a shift in US demand away from China and strong global demand for AI-related hardware.

Taiwan's PMI rose to 50.9 in December from 48.8 in November, breaking above the 50-point mark that separates growth from contraction for the first time in 10 months.

Similarly, South Korea's PMI rose to 50.1 from 49.4, the first expansionary reading since September on the steepest rise in new orders since November 2024.

Both economies are among the world's largest manufacturers of semiconductors, which have benefited enormously from a

booming market for artificial intelligence.

"According to manufacturers, new product launches and improved external demand drove the improvement in sales, while confidence in the outlook also improved markedly in December to reach its highest level since May 2022," said Usamah Bhatti, economist at S&P Global Market Intelligence.

"In turn, firms were encouraged to raise both employment levels and purchasing activity." Official data released on Thursday showed exports from South Korea, a bellwether for global trade, beat forecasts in December.

Elsewhere in Asia, factories mostly sustained activity growth although Indonesia and Vietnam reported slight moderations in expansion.

India's factory sector activity slowed to its weakest growth in two years, although the pace remains the region's strongest.

Separately, Singapore on Friday reported a pickup in economic growth for 2025 to 4.8 percent from 4.4 percent in 2024, while the quarterly growth beat forecasts.

S&P Global will release the Japanese PMI on Monday.

# CES gadget fest a world stage for AI and its hype

AFP, San Francisco

Dreams about the vast potential of artificial intelligence will collide with cold, hard reality as the Consumer Electronics Show kicks off in Las Vegas on Tuesday.

Science fiction portrays AI as superintelligence that can operate faster and better than people can, and do it autonomously.

However, the technology for now is being put to work at very specialized tasks – in gadgets that translate languages during conversations, say, or monitor health symptoms, or provide information on people's surroundings through smart glasses.

Even AI being built into humanoid robots remains a work in progress, with human tele-operators overseeing their operation remotely.

"The gap between AI technology hype and customer experience expectations will widen at CES 2026," predicted Forrester principal analyst Thomas Husson.

"If software and AI models move at the speed of light, energy and hardware move at the speed of physics."

Nonetheless, he expects CES to feature an array of "AI-powered smart everything devices" for consumers, including televisions, home appliances, personal computers, vehicles, and wearables such as rings that monitor health.

## The gap between AI technology hype and customer experience expectations will widen at CES 2026

Analysts expect the annual trade event, which drew more than 142,000 attendees last year, to be a sprawling affair with vendors pitching products from humanoid robots and exoskeletons to AI-infused toys and huge autonomous mining vehicles.

With thousands of exhibitors, the week-long gathering includes connected cars, heavy equipment and AI shows. Demos, presentations and meetings will take place in a massive convention center as well as ballrooms and suites throughout the city.

"There's no question that some of it is going to be AI washing," Techspontential analyst Avi Greengart said of hype expected at CES.

"But we will also see genuinely useful features driven by advances in machine learning that provide new capabilities into a range of products, everything from phones to TVs to wearables to digital health to cars."

Smart glasses, like those from Meta in a partnership with Ray-Ban, will likely kick-start an AI wearables race with some 10 percent of consumers trying them by the end of this year, according to Husson.

Greengart said he expects an emphasis on personal computers because of a rivalry among Intel, AMD, and Qualcomm to produce chips that provide lots of AI capability while trimming power use to extend battery life.

Greengart cautioned that there is a "huge cloud hanging over the PC industry" due to soaring prices for computing and memory chips.

With chip makers focused on serving needs of AI data centers, supplies of basic building blocks for laptops or gaming consoles have dwindled as prices have soared, according to Greengart.

# Tesla cedes EV crown

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The automotive juggernaut has come to dominate China's highly competitive market for new energy vehicles, a term used to describe various vehicles from fully electric ones to plug-in hybrids. China is the world's largest market for new energy vehicles.

BYD is now looking to expand its presence overseas, as increasingly price-wary consumption patterns in China weigh on profitability.

While BYD and other Chinese EV producers come up against hefty tariffs in the United States, the company's success is picking up in Southeast Asia, the Middle East and in Europe.

Tesla only narrowly beat BYD in annual EV sales in 2024, with the US company's 1.79 million outpacing the latter's 1.76 million.

Tesla shares closed 2.6 percent down in New York on Friday.

Analysts at Wedbush Securities noted that Tesla's quarterly sales figure remained better than some had speculated.

They flagged that the company faces a "more difficult demand environment following the end of the EV tax credit while Europe remains a headwind to its deliveries."

The company still sees challenges obtaining certain regulatory approval in Europe – relating to self-driving technology – with sales potentially rebounding once the regulatory hurdles are cleared.

"Sales around smaller and emerging markets have started to see larger growth metrics than expectations which look to offset the declines in key regions like China and Europe," Wedbush analysts said.

# Precious metals rise

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"Technically, February gold futures bulls' next upside price objective is to produce a close above solid resistance at the contract/record high of \$4,584," Jim Wyckoff, senior analyst at Kitco Metals said in a note.

Elsewhere, physical gold traded at a premium in India and China for the first time in about two months.

Spot silver advanced 0.7 percent to \$71.77/oz, after hitting an all-time high of \$83.62 on Monday. Platinum jumped 3.5 percent to \$2,125.80/oz, after rising to

an all-time high of \$2,478.50, also on Monday.

Both metals outperformed gold in 2025, with silver rising over 147 percent, driven by its designation as a critical US mineral, supply shortages, and low inventories when industrial and investment demand was strong. Platinum rose 127 percent last year.

Palladium gained nearly 2 percent to \$1,636.43 per ounce, after closing the previous year up 76 percent, its biggest gain in 15 years.

# Akij Resource launches South Asia Travel and Hajj Service

STAR BUSINESS DESK

Akij Resource has launched a new business unit, named "South Asia Travel and Hajj Service", to provide reliable, transparent and quality hajj and umrah services for pilgrims.

Sheikh Jasim Uddin, managing director of Akij Resource, inaugurated the new business unit as the chief guest at Nayapaltan in Dhaka recently, according to a press release.

Addressing the occasion, Jasim Uddin said organising hajj and umrah is a highly sensitive and sacred service sector, where quality of service, transparency and credibility are of utmost importance.

"We have decided to enter this sector after noticing a long-standing lack of quality and transparent services in the hajj and umrah industry. South Asia Travel and Hajj Service will reflect the trust and professionalism with which

Akij Resource has been conducting its business," he said.

"We want those who are going to perform hajj and umrah to receive safe, orderly and uninterrupted services," he added.

The service will offer group and customised hajj and umrah packages, visa processing, air ticketing, hotel bookings in Mecca and Madinah, local transport, guide assistance, real time customer support, and training sessions for pilgrims.

Abu Ammar Abdulla, head of business of South Asia Travel and Hajj Service; Mohammad Towfiq Hasan, chief business development officer of Akij Resource; Mohammed Afsar Uddin, chief people officer; and Sohanur Rahman Sohan, deputy chief operating officer, along with senior officials from various business units of Akij Resource, were also present.



Sheikh Jasim Uddin, managing director of Akij Resource, inaugurates the new business unit, named "South Asia Travel and Hajj Service", at Nayapaltan in Dhaka recently. PHOTO: AKIJ RESOURCE

# bKash opens corporate doors to students thru 'bHive'



Ferdous Yusuf, chief human resources officer of bKash, poses for a group photograph with participants of a career development programme, titled "bHive", in Dhaka recently. PHOTO: BKASH

STAR BUSINESS DESK

bKash, the country's leading mobile financial service (MFS) provider, has launched a career development initiative, titled "bHive" to connect university students with the corporate environment while they are still pursuing their studies.

As part of the initiative, the MFS provider recently organised a programme in which around 180 students from 18 leading public and private universities took part in subject-based sessions, office tours and interactive discussions with senior officials of bKash.

According to a press release, the four-day event was divided into four segments, allowing participants to closely observe and gain insights into the operations of the country's leading fintech company. Maisha Mahviyat Nawly, a student of

the Institute of Business Administration at the University of Dhaka, said the programme helped her understand how a corporate office functions, how projects are developed and how they are implemented.

"Now I have a much clearer idea of how to prepare myself for the career I want to pursue," she said.

Ferdous Yusuf, chief human resources officer of bKash, said one of the biggest challenges in the rapidly evolving fintech sector is developing skilled talent aligned with innovative technologies.

"bKash has been investing in building future-ready professionals. Alongside our existing programmes such as bNext, GenNext Leader, b-ACE and bTechWhiz, bHive aims to inspire university students to envision their careers early and prepare accordingly," he added.