India's rice exports to top buyer Iran stall

REUTERS, *Mumbai/New Delhi*

India's basmati rice exports to Iran have slowed to a near standstill amid the protests gripping the Gulf country, with suppliers wary of new deals due to the risk of non-payment and potential additional US tariffs, trade officials said.

US President Donald Trump said on Monday that any country trading with Iran would face a 25 percent tariff on its commerce with the US, a move exporters say has made Indian suppliers even more reluctant to sign new contracts with Iranian buyers.

"The proposed 25 percent levy under the Trump framework adds an additional challenge to the Indian basmati rice sector," said Akshay Gupta, head of bulk exports at KRBL Ltd, a leading rice exporter.

India is Iran's largest rice supplier, with the staple accounting for nearly two-thirds of all Iranian imports from the country.

Protests in the Gulf country and US tariff threat on it stall India's basmati rice exports amid payment risks

"We're worried about the payments for rice shipped in the last two months," said a New Delhi-based exporter, who declined to be named.

"In some cases, buyers report they did not receive the full quantity; in others, they have fled the country because of the ongoing protests," the exporter said.

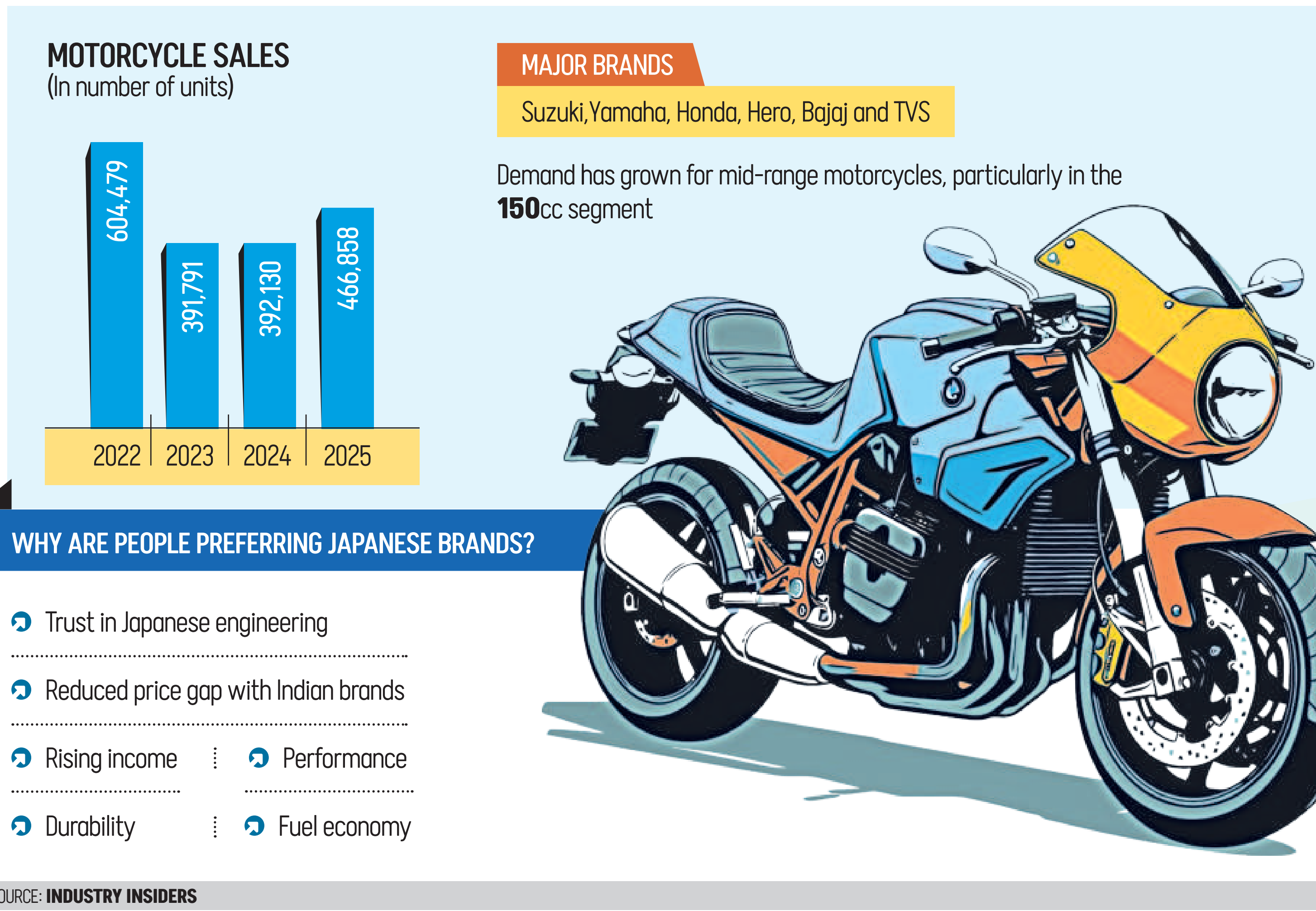
The current protests began last month in Tehran, with shopkeepers condemning the rial currency's free fall.

Unrest has spread nationwide amid deepening distress over economic privations arising from rocketing inflation driven by mismanagement and Western sanctions, and curbs on political and social freedoms.

Importers have conveyed their inability to honour existing commitments and remit payments to India, creating heightened uncertainty for exporters, Dev Garg, vice president of the Indian Rice Exporters Federation (IREF), said in a statement. India's Ministry of Commerce and Industry declined to comment.

Iran previously supplied foreign exchange to food importers at a subsidised rate, but it has now suspended that provision, effectively making imports much more expensive for buyers, said Vijay Setia, a top rice exporter.

Japanese brands take the lead as motorcycle market recovers



JAGARAN CHAKMA

Japanese motorcycle brands tightened their grip on Bangladesh's two-wheeler market in 2025, capturing the bulk of new demand as consumers increasingly favoured reliability, fuel efficiency and long-term value over lower upfront prices.

Suzuki, Yamaha and Honda together accounted for 58 percent of total motorcycle sales during the year, according to industry data compiled by two leading manufacturers, reinforcing a shift that has been taking shape since the post-pandemic period.

Industry executives say the dominance reflects sustained consumer trust in Japanese engineering, particularly as the price gap with Indian brands has narrowed.

The expansion of Japanese market share came alongside a broader recovery in the motorcycle industry.

After two consecutive years of contraction, annual sales rose to 466,858 units in 2025, up 19 percent from 392,130 units the previous year, according to the compiled data.

The rebound followed a sharp 35 percent decline in 2023, when economic uncertainty and political instability disrupted demand. Despite the recovery, the industry is still short of its all-time high of 604,479 units sold in 2022.

Within the revived market, Japanese brands were the primary beneficiaries.

Suzuki led overall sales with 93,838 units, securing a 20.1 percent share. Yamaha followed with 19.7 percent, while Honda captured 17.8 percent.

Indian brands Hero and Bajaj trailed closely, accounting for 18.1 percent and 17.6 percent of market share, respectively. Together, the five largest manufacturers accounted for more than 93 percent of total sales.

Industry insiders say the shift has been reinforced by changing usage patterns.

Demand has grown for mid-range motorcycles, particularly in the 150cc segment, as rising incomes and worsening urban congestion make performance, durability and fuel economy more important than entry-level affordability.

Japanese dominance was most pronounced in the second half of the year. Between July and December, total sales rose to 215,547 units from 189,853 a year earlier, with Japanese brands occupying the top three positions.

Yamaha led the period with a 22 percent share, followed by Suzuki and Honda, each with around 20 percent.

Hero posted a 36 percent sales increase to reach 38,198 units, gaining an 18 percent share.

Subrata Ranjan Das, executive director of ACI Motors, the official distributor of Yamaha motorcycles, said Japanese brands have benefited from a clear shift in buyer behaviour.

> **Japanese brands have benefited from a clear shift in buyer behaviour**
>
> **Subrata Ranjan Das**
> ED, ACI Motors

He estimated overall market growth at 16-17 percent year-on-year.

"Though Yamaha's calendar year sales trail slightly, we've led the market over the past six months," Das said.

Das said performance, fuel efficiency and durability have become decisive factors for buyers, particularly as price differences with Indian models have narrowed.

"Japanese motorcycles offer better long-term value," he said, adding that 82 percent of Yamaha buyers are existing motorcycle users, and 55 percent upgraded from Indian brands.

Yamaha's strength in the 150cc segment has also supported its position, he said, driven by consistent demand and recent product launches.

However, Das flagged fuel quality as a growing concern, warning that substandard fuel has caused corrosion and mechanical damage in motorcycles.

He said the company and the Motorcycle Manufacturers Association had shared laboratory findings with authorities, calling for tighter regulation. "We've conducted multiple lab tests and shared results with energy officials."

Honda executives offered a similar assessment. Shah Muhammad Ashequr Rahman, chief marketing officer of Bangladesh Honda Private Limited, said improving macroeconomic stability had supported demand but stressed that brand trust and after-sales service were key to Honda's gains.

"A relatively stable exchange rate, better foreign currency reserves, easing inflationary pressures, and the rising purchasing power of the broader population have all contributed to this improvement," he added.

Against this backdrop, Honda expanded its service network and introduced new models to strengthen customer loyalty.

"We responded to evolving customer needs by introducing new models, expanding our after-sales service network, and deepening our relationship with customers," he said.

Meanwhile, TVS recorded a steep decline of 70 percent, selling just 3,590 units in the second half, compared to 11,947 in the same period last year. In total, its sales dropped 80 percent in 2025.

Biplob Kumar Roy, chief executive of TVS Auto Bangladesh, said the company's sales dropped to just over 10,000 units in 2025, from a typical annual volume of around 60,000.

Roy attributed the slump to the company's failure to introduce new or upgraded models, distancing the decline from broader market trends.

"It's not the market, it's us," he said.

Lower-income US consumers increasingly 'price sensitive': Fed

AFP, *Washington*

US consumers in lower income groups are becoming more sensitive to prices when making spending decisions, showing reluctance to fork out for non-essentials, the Federal Reserve said in a report on Wednesday.

While consumption saw a boost in recent weeks from the holiday shopping season, spending patterns continued to diverge among income groups, the Fed added in its "beige book" survey of economic conditions.

Some parts of the country reported that "spending was stronger among higher-income consumers," who were willing to splurge on luxury goods, travel and other experiences, the Fed said.

"Meanwhile, low to moderate income consumers were seen to be increasingly price sensitive and hesitant to spend on nonessential goods and services," the survey added.

The report underscores uneven conditions within the world's biggest economy -- despite resilient GDP growth figures -- where higher-income Americans are seeing wealth and salaries rising while those with lower incomes grapple with fewer gains and high costs.

Banking conditions were generally stable or improving, the central bank added, although there was some increased demand in credit cards, home equity loans and commercial lending.

Overall, the Fed noted that "outlooks for future activity were mildly optimistic with most expecting slight to modest growth in coming months."

The latest report comes around two weeks before the central bank is due to announce its next decision on interest rates.

Markets widely expect policymakers to keep rates unchanged for now, as officials assess the impact of recent back-to-back reductions.

The Fed balances between the need for rate cuts to boost the economy as the employment market cools, and the risk of persistent inflation as President Donald Trump's tariffs work their way through supply chains.

Employment was mostly unchanged recently while wages grew moderately, the Fed said Wednesday. But "cost pressures due to tariffs were a consistent theme across all districts" monitored by the central bank.

"Several contacts that initially absorbed tariff-related costs were beginning to pass them on to customers as pre-tariff inventories became depleted or as pressures to preserve margins grew more acute," the Fed said.

Even though firms expect price hikes to ease, they anticipate that costs will remain elevated in the near future.

Trump backs Venezuela staying in OPEC

REUTERS, *Washington*

President Donald Trump said on Wednesday that he believes it would be better for Venezuela to remain in the Organization of the Petroleum Exporting Countries, or OPEC, but added he was unsure if that would be a better situation for the United States.

"Well, I think it's better for them if they do it," Trump said in a Reuters interview when asked if the administration supports Venezuela remaining in the oil cartel. "I don't know that it's better for us ... but they are a member of OPEC, and we haven't discussed that with them at all," Trump added.

Venezuela, a founding member of the oil cartel, sits atop some of the world's largest crude reserves but has seen output collapse in recent years amid economic turmoil and sanctions. Trump has sought to assert control over Venezuela's oil supply after the US ousted President Nicolás Maduro in an operation earlier this month.

Trump's administration has said it would need to control Venezuela's oil resources indefinitely as it seeks to rebuild the country's oil industry and exert pressure on the Caracas government.

Oil slides over 3%

REUTERS, *New Delhi*

Oil prices slid more than 3 percent on Thursday after US President Donald Trump said killings in Iran's crackdown on nationwide protests were stopping, tempering concern over military action against Iran and supply disruption.

Brent futures were down \$2.21, or 3.32 percent, at \$64.31 a barrel by 0727 GMT, while US West Texas Intermediate crude slipped \$2.05, or 3.31 percent, to \$59.97 a barrel.

Both benchmarks settled more than 1 percent higher on Wednesday but gave back most gains after Trump's remarks reduced fear of a potential US attack on Iran.

Trump on Wednesday afternoon said he had been told that killings of anti-government protesters in Iran were subsiding and he believed there was no plan for large-scale executions.

"Selling pressure prevailed on expectations that the US would not take military action against Iran," said Hiroyuki Kikukawa, chief strategist of Nissan Securities Investment, a unit of Nissan Securities.

Bearish factors also include larger-than-expected US crude inventories, he said.

"While geopolitical risks remain high and unforeseen events could disrupt the supply-demand balance, WTI is likely to trade in the \$55-\$65 range for the time being," Kikukawa said.

The United States is withdrawing some personnel from military bases in the Middle East, a US official said on Wednesday, after a senior Iranian official said Tehran had told neighbours it would hit American bases if Washington strikes.

Further weighing on prices, US crude and gasoline inventories rose more than analysts estimated last week, the Energy Information Administration said on Wednesday.

Crude stocks climbed by 3.4 million barrels to 422.4 million barrels in the week ended January 9, compared with analysts' expectations of a 1.7 million-barrel draw.

China wields a steadier blade over tech giants

REUTERS, *Hong Kong*

China's market watchdogs have a new target: online travel agent Trip.com. Following investigations into Alibaba and Meituan five years ago that shook investor faith in the country's tech sector, the State Administration for Market Regulation on Wednesday announcedit is probing the New York- and Hong Kong-listed firm led by Jane Sun for monopolistic behaviour, erasing some \$8 billion, or 17 percent, from its market capitalisation.

Trip.com says it will co-operate with authorities, but it is a vulnerable target. The company's acquisitions over the past decade, including the purchase of a stake in peer Tongcheng Travel, have cemented its dominance. Analysts at Bank of Communications International estimated Trip.com had a 56 percent share of the country's online travel bookings in 2024, per local media.

Thanks to a post-pandemic boom in domestic travel, its top line, which also includes international sales, is forecast to jump 14 percent this year, to 71 billion yuan (\$10.1 billion), according to estimates gathered by Visible Alpha. Impressively, its gross profit margin is expected to remain at 80 percent for the next five years, up from 72 percent a decade ago.

That level of pricing power has attracted the ire of both hotel and tourism groups plus other regulators, which are already scrutinising the sector amid intensifying competition between the market leader and rivals Alibaba, Meituan and JD.com. As recently as last month, for example, the Yunnan Provincial Tourism Homestay Industry Association called out Trip.com and peers for forcing mom-and-pop businesses to choose one online agency, as well as for raising commission rates and setting unfair conditions, among other complaints. In the second half of last year, provincial antitrust regulators summoned Trip.com at least four times, local media reported.

People look at the train arriving at the Liziba monorail station located in a residential building in Yuzhong district in Chongqing. China's domestic travel is forecast to jump 14 percent this year, to \$10.1 billion. PHOTO: AFP/FILE

An antitrust fine of up to 10 percent of domestic sales looms. Analysts at Citi reckon that translates to a maximum 4.9 billion yuan, roughly \$700 million, hit – or 23 percent of Trip.com's forecast 2026 net profit, per Visible Alpha estimates.

The bigger risk will be whether officials will tolerate the company's outsized profits at a time when Beijing is trying to spur consumption in the \$19 trillion economy. Trip.com's fortunes are also a sharp contrast to those of struggling hoteliers and state-owned airlines.

Investors can at least take comfort that, unlike with Alibaba, the crackdown on Trip.com does not appear to be driven by Sun or its founders falling out of grace with Beijing. In some ways, that makes China's antitrust regime more predictable.

China's State Administration for Market Regulation on January 14 said it has launched an investigation into online travel company Trip.com over alleged monopolistic practices. The company's New York shares closed down 17 percent to \$62.78 on the day.

Trip.com said in a statement that it was "actively" co-operating with the investigation and would "fully implement regulatory requirements".