Customers shop at a Carrefour hypermarket in Drancy, Paris' suburb. The eurozone ended the year 2025 with decent economic growth despite significant uncertainty and economic tension. PHOTO: AFP/FILE

Eurozone growth beats 2025 forecasts despite Trump woes

AFP, *Brussels*

Eurozone growth beat expectations to reach 1.5 percent last year, official data showed Friday, picking up pace for a second year running in spite of a bruising trade standoff with the United States.

Europe is working to close the gap with economic rivals China and the United States, and spiking tensions with President Donald Trump's administration over trade have created added impetus to bolster its competitivity.

Last year's uptick in the single-currency area's economy builds on the modest 0.9 percent expansion recorded in 2024, after an anaemic 0.4 percent a year earlier.

Analysts at Bloomberg had forecast growth to be 1.4 percent, while the European Commission itself predicted 1.3 percent.

Quarter-on-quarter growth for the eurozone reached 0.3 percent in the last three months of 2025, according to statistics agency Eurostat.

"Accelerating growth in Germany, Spain and Italy, to a lesser extent, made up for slow growth in France," said ING chief economist Bert Colijn.

The eurozone ended the year with "decent economic growth despite significant uncertainty and economic tension," he wrote.

Data released Friday in Germany showed its economy grew faster than expected at the end of 2025, expanding 0.2 percent over the year, suggesting a recovery is gathering pace in Europe's struggling industrial powerhouse.

But annual growth in the eurozone's second-biggest economy France slowed to 0.9 percent, national data showed, impacted by a disappointing fourth quarter as the government wrestled with passing a new budget.

Spain's economy meanwhile grew at more than twice the eurozone average last year, expanding 2.8 percent, fuelled by strong consumer demand, rising exports and robust tourism.

The eurozone's fourth-largest economy has outshone its peers since 2021, supported by low energy costs, domestic consumption and a tourism boom since the end of the Covid pandemic.

Analysts at Capital Economics said they expected Spain to "continue to outperform for some time as high immigration boosts employment and domestic demand."

Spain's left-wing government credits immigration for much of the country's dynamic economic growth of recent years, and has recently moved to regularise around 500,000 undocumented migrants.

ING's Colijn said the eurozone-wide outlook for 2026 was "becoming more upbeat", with industrial production expected to benefit from defence investments and German infrastructure spending in particular.

He predicted "accelerated growth over the coming quarters," noting that even a "modest" pickup would be something to celebrate given the "significant turmoil" in international relations.

But he warned other factors were set to keep dragging on growth, from the uncertain global environment to a loss of competitiveness across the eurozone.

"These broader structural concerns are not being addressed quickly enough at the moment, which curbs longer-term prospects," he said.

Across the broader 27-country European Union, the economy expanded by 1.6 percent last year, the data showed.

EU leaders will hold talks on competitiveness next month in Belgium as the bloc seeks to revive its economy and foster innovation.

The bloc's competitiveness push has produced mixed outcomes so far, according to an annual assessment published Friday by the European Commission, which is pushing for stepped-up action.

Of a broad set of indicators examined in the report, six showed declines, six improved and 15 remained broadly unchanged.

Areas showing improvement ranged from the use of artificial intelligence by businesses to renewable energy production and the mutual recognition of diplomas and professional qualifications across member states.

By contrast, the share of intra-EU trade in the bloc's economy showed a decline, as did private investment levels and European students' results in the PISA international education survey.

Siddiqur Rahman takes charge as acting MD of Standard Bank

STAR BUSINESS DESK

Md Siddiqur Rahman, deputy managing director and chief operating officer of Standard Bank PLC, has taken charge as the bank's managing director (acting).

Rahman joined the shariah-based bank as deputy managing director in August 2023, according to a press release.

Prior to joining Standard Bank, he served as deputy managing director, chief risk officer (CRO) and chief anti-money laundering compliance officer (CAMLCO) at Islami Bank Bangladesh PLC.

During his 31-year career at Islami Bank Bangladesh, Rahman made contributions to the institution's business growth and overall development.

He is accredited by the Paris-based International Chamber of Commerce (ICC) and the UK-based Institute of Financial Services (IFS) as a Certified Documentary Credit Specialist (CDCS) in international trade finance.

With more than three decades of experience in Islamic banking, Rahman also obtained a certified shariah advisor and auditor (CSAA) fellowship from the Bahrain-based Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI). Rahman earned his bachelor's and master's degrees in public administration from the University of Dhaka and later completed an MBA.

To further enhance his professional skills, he completed the Diploma in Associate of the Institute of Bankers, Bangladesh (DAIBB) and obtained a Diploma in Islamic Banking (DIB) from the Islamic Banking Training and Research Academy (IBTRA).

Oil hovers near 6-month high

REUTERS, *Houston*

Oil prices dipped a few cents per barrel on Friday, consolidating recent gains and holding near six-month highs on Friday, supported by nagging tensions between the US and Iran.

Brent crude futures settled at $70.69 a barrel, down 2 cents or 0.03 percent. The March contract expires later on Friday. US West Texas Intermediate crude finished at $65.21 a barrel, down 21 cents or 0.32 percent.

"It's really all about Iran right now," said John Kilduff, partner with Again Capital. "The market had priced in a lot of geopolitical risk on Iran, but it's difficult to quantify the market at this point. The question is if there is action against Iran, what will the Iranians do?"

On Thursday, oil prices hit their highest since early August. Multiple sources said US President Donald Trump was weighing actions against Iran that included targeted strikes, raising concerns about supply disruptions.

WTO faults US in dispute brought by China over clean energy subsidies

AFP, *Geneva*

The World Trade Organization has faulted the United States in a dispute brought by China over US green energy subsidies, in a ruling slammed by Washington on Friday as "absurd".

The global trade body's dispute panel said that large tax credits granted under former president Joe Biden's landmark climate law, the Inflation Reduction Act (IRA), were "inconsistent" with several WTO agreements and should be withdrawn.

That law, which was signed by Biden in 2022, was the largest climate investment in US history, but it has been dramatically eroded since President Donald Trump came to power last year.

China hailed the panel ruling as "objective and impartial".

But US Trade Representative Jamieson Greer was harshly critical, saying in a statement that the ruling showed that "existing WTO rules are inadequate to address massive and harmful excess capacity in numerous sectors, including in energy technology".

It "underscores the serious doubts that the United States has long expressed regarding the capacity of the WTO to regulate trade in a world marked by severe and sustained trade imbalances", he said.

China launched the WTO dispute in March 2024, accusing Washington of unfair competition over its support to companies in the energy transition sector and to electric cars manufactured on US soil.

The WTO agreed in September that year to set up a panel of experts to examine the case, which focused on US investment tax credits (ITCs) and production tax credits (PTCs) for renewable energy projects, as well as electric vehicle subsidies.

The United States insisted at the time that the act was a tool to address the climate crisis and "invest in US economic competitiveness".

It was also meant to counter Beijing's subsidies for electric vehicles and the wider green industry within China, which has poured vast state funds into domestic firms as well as research and development.

China has denied that its industrial policies are unfair and has repeatedly threatened retaliation to safeguard its companies, and charged that the IRA "distorts fair competition, seriously disrupts global new energy vehicle industrial and supply chains, and violates WTO rules".

The panel ruling Friday upheld all of China's claims on the ITCs and PTCs, finding the measures inconsistent with the 1994 General Agreement on Tariffs and Trade (GATT), the Agreement on Trade-Related Investment Measures, and the Agreement on Subsidies and Countervailing Measures.

"The panel recommends that the United States withdraw the ITC/PTC Domestic Bonus Credits by October 1, 2026 at the latest," it said.

The panel meanwhile did not rule on the issue of the clean vehicle tax credits, as those credits were terminated through Trump's so-called One Big Beautiful Bill last July.

"Incredibly, the WTO report finds that the United States has broken WTO rules by defending industries that China unfairly targeted for global dominance, but does not say a word about the harms caused by China's industrial policies and massive excess capacity," Greer said.

"It is also absurd that the WTO panel questioned whether the United States has deep and abiding concerns with ensuring that the conditions of competition within the US market are fair," he added.

A Chinese foreign ministry spokesman meanwhile insisted "the United States should face up to its errors, acknowledge the WTO-inconsistency of its measures, and promptly rectify the violations".

Idra awards insurance excellence

STAR BUSINESS DESK

The Insurance Development and Regulatory Authority (Idra) organised the IDRA Insurance Excellence Award 2025 ceremony at the Pan Pacific Sonargaon Dhaka last week to recognise excellence in ethics, transparency and good governance in Bangladesh's insurance sector, with the aim of strengthening public confidence in the industry.

Anisuzzaman Chowdhury, special assistant to the Chief Adviser, attended the programme as the chief guest, according to a press release.

In his address, Chowdhury said the insurance sector in Bangladesh is undergoing rapid transformation, with digitalisation, technology-driven services, online policy issuance and faster claim settlement gradually bringing the industry closer to global standards.

Nazma Mobarek, secretary of the Financial Institutions Division, was present as the special guest at the event.

Speaking at the event, Idra Chairman M Aslam Alam said the timely implementation of insurance-related laws is essential to steer the sector towards recovery and sustainable development. He added that digitalisation is now a necessity, as it enhances transparency, accountability and customer trust.

Anisuzzaman Chowdhury, special assistant to the chief adviser, poses for a group photograph with the awardees at the "Idra Insurance Excellence Award 2025" ceremony at the Pan Pacific Sonargaon Dhaka last week. Nazma Mobarek, secretary of the Financial Institutions Division, and Idra Chairman M Aslam Alam were also present. PHOTO: IDRA

The insurance regulator awarded selected insurance companies in recognition of their outstanding contributions to ethics, transparency and good governance in the sector.

Among non-life insurers, Pragati Insurance PLC secured first place, followed by Sadharan Bima Corporation in second place, Reliance Insurance PLC in third place and Green Delta Insurance PLC in fourth place. Eastland Insurance PLC, Sena Insurance PLC and United Insurance Company Limited jointly secured fifth place.

Among life insurers, MetLife secured first place, followed by Pragati Life Insurance PLC in second place, Delta Life Insurance Company Limited in third place and Jiban Bima Corporation in fourth place. National Life Insurance PLC and Guardian Life Insurance Limited jointly secured fifth place.

Southeast Bank completes automation, centralisation of credit functions

MA Kashem, chairman of Southeast Bank PLC, inaugurates the celebration programme at the bank's head office in Dhaka recently. PHOTO: SOUTHEAST BANK

STAR BUSINESS DESK

Southeast Bank PLC recently hosted an event at its head office in Dhaka to mark the successful completion of the full centralisation and automation of its documentation and limit-loading functions.

The initiative is expected to significantly enhance operational efficiency while reinforcing the bank's commitment to regulatory compliance and sustainable, environmentally responsible banking practices.

MA Kashem, chairman of Southeast Bank PLC, inaugurated the programme as the chief guest, according to a press release.

In his remarks, Kashem outlined his vision of elevating the bank's service and compliance standards, positioning Southeast Bank as a pioneering financial institution that integrates environmental consciousness into its core operations.