

Coronavirus to take shine off global luxury business



REUTERS/FILE

A cleaner worker wearing a mask walks at a shopping mall in Beijing's central business area, China, as the country is hit by an outbreak of the new coronavirus.

AFP, Paris

The global luxury business is set to suffer from dwindling numbers of Chinese buyers, the world's biggest consumers of luxury goods, due to a lockdown within and on the country to prevent a coronavirus from spreading further.

Here are some facts about the importance of Chinese buyers for the world's companies making stylish and expensive things.

Chinese consumers account for between 33 and 35 percent of all luxury goods bought in the world in value terms. The Bain & Company

consultancy predicts that share will grow to 45 percent within five years, with half of their purchases made in mainland China.

Much of the Chinese money is spent at home or the rest of Asia where major players in the sector, such as LVMH, Richemont, Kering and Hermes, generate around a third, sometimes more, of their overall sales, not counting Japan.

China is also the world's main supplier to the tourism sector, clocking up nearly 150 million foreign trips in 2018, three times more than a decade earlier. Chinese tourists are also the world's top per capita spenders per

trip. High-end fashion rakes in the biggest share of Chinese duty-free spending with 43.7 percent of the total, followed by department store shopping.

In Paris and its surroundings, Chinese shoppers' favourite European destination, they spend 40 percent of their budget on lodging, 26 percent on shopping and 20 percent on food.

Chinese trippers spent 265 billion euros (\$290 billion) on durable luxury goods such as handbags, clothes, perfumes and souvenirs, in the Paris region in 2018.

The luxury retailer Galeries Lafayette's flagship store in Paris has now cut part of its welcome staff to take account of dwindling number of Chinese shopper numbers, two sources close to the company told AFP.

Luxury goods giants have not so far offered any estimates for the likely impact of the coronavirus epidemic on their businesses in Europe and Asia.

But some brands are beginning to count the cost. Capri Holdings, owners of Versace, Michael Kors and Jimmy Choo, said Thursday the China crisis would amputate sales by \$100 million. British fashion house Burberry said Friday that the virus fallout was "having a material negative effect" on demand.

Cosmetics empire Estee Lauder lowered its financial targets, while Japan's Shiseido group reported its Chinese sales falling by half in the last week of January.

DSE gets new MD



STAR BUSINESS REPORT

Kazi Sanaul Hoq joined Dhaka Stock Exchange (DSE) as managing director yesterday.

The board of directors decided on the appointment in its 945th board meeting on January 9. The appointment proposal was sent to the Bangladesh Securities and Exchange Commission for final approval the same day, says a DSE press release.

Hoq attained his bachelor's and master's degrees in accounting from the University of Dhaka and started his career as a senior officer in the Investment Corporation of Bangladesh (ICB) in 1984.

He has previously served as the managing director of Rajshahi Krishi Unnayan Bank, the ICB, Karmasangstan Bank and Agrani Bank



EASTERN BANK

Md Towfiqul Arif, head of certification, Bureau Veritas (Bangladesh), handed over an ISO 27001:2013 certificate to Ali Reza Iftekhar, managing director and CEO of Eastern Bank, at the bank's head office in the capital's Gulshan last Thursday for its information security management system.



PREMIER BANK

HBM Iqbal, chairman of Premier Bank, has received a "Bangladesh's Best Bank Leader 2019-20" award from news portal AsiaOne at a 13th Asian Business and Social Forum at Bangkok Marriott Marquis Queen's Park last Friday.



ACCA BANGLADESH

Mohibul Hasan Chowdhury, deputy minister for education, attended the presentation of 122 certifications of The Association of Chartered Certified Accountants (ACCA) Bangladesh at a Dhaka hotel earlier this month.

Apex gets people officer



STAR BUSINESS REPORT

Arif Shahriar has joined Apex Footwear as chief people and culture officer.

He will be a part of the senior leadership team, responsible for engineering cultural transformation, business re-engineering and strategic initiatives, says a press release.

Shahriar has over three decades' experience in manufacturing, project and change management and strategic human resource in British American Tobacco and Rahimafrooz. He attained a master's in business administration from North South University and a bachelor's in electrical and electronics engineering from the West Virginia University Institute of Technology.

Digitalisation synonymous with local ICT's success

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Palak also urged local banks and financial institutions to use locally developed software as it would ultimately help the market for their products to grow.

It was the perfect opportunity for local software and IT companies to display their depth and strength of their capabilities in front of international buyers, said BASIS President Syed Almas Kabir.

The SoftExpo also focused on creating more collaborative relationships between ICT companies at national and international levels. Trade delegations from numerous countries were invited to experience the immense potential of Bangladesh's ICT industry, he added.

The country's biggest ICT product exposition showcased capabilities of Bangladesh's software industry.

About 300 companies displayed their various products and innovations at the

event, which the Bangladesh Association of Software and Information Services (BASIS) has touted as the biggest software related exposition in Asia of 2020.

A good number of international buyers from Sweden, Japan and the Netherlands took part in business-to-business meetings during the event, which helped a few firms secure contracts.

About three lakh visitors came to experience the local innovations and developments featured at the Dutch-Bangla Bank sponsored exposition at the capital's International Convention City Bashundhara. Interested students were able to submit their curriculum vitae for possible employment.

There were about 30 seminars and sessions held with over 100 national and international speakers sharing their thoughts on the industry. Current and former BASIS officials were present.

Some movement in talks on the BBIN agreement

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The meeting also discussed in detail various aspects of the draft protocol for movement of cargo vehicles, discussing the existing draft text jointly for the first time.

In this regard, the delegations of Bangladesh, India and Nepal reaffirmed their understanding that the BBIN MVA safeguards the rights and obligations of all parties under other international agreements and bilateral agreements within the group, including those relating to landlocked countries.

The officials also discussed a draft enabling letter of intent to be signed by Bangladesh, India and Nepal for

implementation of the BBIN MVA by the three countries.

The government of Bhutan has provided its consent for the entry into force of the MVA among Bangladesh, India and Nepal without obligation to Bhutan, pending its internal procedures for ratification of the BBIN MVA.

The delegations of Bangladesh, India and Nepal agreed to consider expediting the finalisation of the letter of intent, expressing gratitude to Bhutan for offering its consent in this regard, according to the statement. It was agreed in the meeting that parties will get back by May on the discussions yesterday.

BB seeks explanation from Janata MD

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"Azad served as a manager of the corporate branch for a good portion of the time during the mentioned years. And he gave scope to the concerns of AnonTex Group to swindle the amount," the probe report said.

He was the manager of the branch from November 2011 to August 2013.

The investigation of the banking watchdog also found that AnonTex Group took the fund by showing 15 projects. Nine of the projects were yet to be set up.

The companies published false tender notices to set up the projects and laundered money abroad in the name of import of capital machineries.

According to the credit proposal of the companies, the group kept 56 acres land of worth Tk 677 crore.

As of September last year, the total outstanding loans of AnonTex Group

stood at Tk 5,768.52 crore -- and a major portion of the sum has already turned defaults.

In many of the cases, the accounts of the group were opened hurriedly and the loans were disbursed to them just as quickly -- without following banking norms.

Azad was appointed MD of Janata Bank in December last year.

The probe body has already submitted its recommendations to the central bank higher-ups to take further action to this end.

The central bank earlier removed Abdul Hamid and Kazi Fakhrul Islam from the post of managing directors of Agrani and BASIC respectively after it found their involvement in loan scams.

Azad did not respond to The Daily Star's request for comment. At the time of writing, he neither answered his phone nor replied to text messages from the correspondent.

China blocks Foxconn plan to restart plants due to coronavirus

REUTERS

China has blocked a plan by Apple supplier Foxconn to resume production in China from Monday, the Nikkei business daily reported on Saturday, amid concerns about the spread of the new coronavirus.

Public health experts carried out inspections at Foxconn's factories in the southern city of Shenzhen and told the company that its factories had a "high risk of coronavirus infection",

Standard, NRB Global become Shariah lenders

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As of December 2018, all Islamic financial institutions combined had a deposit base of Tk 237,366 crore. Full-fledged Islamic banks accounted for 95 per cent of that amount.

Shariah-based banks' net profit margin declined to 2.2 per cent in 2018 from 3 per cent a year earlier at a time when the banking sector's rose, according to a study titled 'Islamic Banking Operation of Banks-2018'.

Among other key financial indicators, the return on asset of the

Islamic banks came down to 0.56 per cent in 2018 from 0.7 per cent a year earlier. The return on equity fell to 10.7 per cent from 13.1 per cent during the period, the study showed.

On the other hand, default loans increased to 4.79 per cent from 4.2 per cent in 2017, weakening the health of Islamic banks.

The Islamic banks seemed to have been involved in aggressive lending as their loans-deposit ratio climbed to 90.8 per cent in 2018 -- which is beyond the authorised limit -- from 87.8 per

cent the previous year. Of the eight full-fledged Islamic banks five had given out loans in breach of the ceiling.

Though the overall banking sector was going through a tight liquidity situation then, the market share of the Islamic banks improved to 8.54 per cent in 2018 from 7.47 per cent in 2017 in terms of excess liquidity.

However, Shariah-based banks saw a sharp fall in excess liquidity in the third quarter of 2018 because of aggressive investment to the point of violating the ceiling set by the central bank.

Marks pavilion at DITF gets award

STAR BUSINESS REPORT

The Mark Premier Pavilion of Abul Khair Group set up in the recently concluded 25th Dhaka International Trade Fair has won an award for its design.

Commerce Minister Tipu Munshi last Monday presented the award for the pavilion of Abul Khair Milk Products, a concern of Abul Khair Group, says a press release.

Another lender enters the fray

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The BB forwarded the complaint to the Bangladesh Financial Intelligence Unit to scrutinise the issue in detail, he said, adding that Peoples Bank would be provided with a licence if its chairman could prove that he had no link with the case.

Kashem has net assets worth Tk 43.94 crore in the US and Tk 56.92 lakh in Bangladesh, according to documents provided by him to the central bank as part of the process to buy his stake. In October 2018, the central bank requested the foreign affairs ministry to get details of Kashem's net assets in the US.

The ministry, however, gave positive feedback about Kashem to the BB, which helped him get initial approval from the central bank.



SOUTHEAST BANK

MA Kashem, sponsor director of Southeast Bank, inaugurated its relocated Gulshan branch on Gulshan South Avenue in Dhaka yesterday

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার

কৃষিই সমৃদ্ধি

কৃষি মন্ত্রণালয়
তুলা উন্নয়ন বোর্ড
প্রকিউরমেন্ট শাখা

খামারবাড়ি, ফার্মগেট, ঢাকা-১২১৫

নম্বর ১২.০৭.০০০০.১১১.২৬.২৩০.১৫.৩০

তারিখঃ ২৬ মাঘ ১৪২৬
০৯ ফেব্রুয়ারি ২০২০

নিলাম বিজ্ঞপ্তি

বিশ্বয়ঃ একেজো গাড়ি নিলামে বিক্রয় প্রসঙ্গে।

তুলা উন্নয়ন বোর্ডের একেজো ঘোষিত ০১ (একটি) কার, ০২ (দুইটি) জীপ, ও ০৪ (চারটি) ট্রাক নিলামে বিক্রয়ের জন্য অগ্রাধিকার প্রদানের নীতি হইতে সীলমোহরকৃত নিলাম দরপত্র আহ্বান করা যাইতেছে।

ক্রম নং	গাড়ির বিবরণ	গাড়িসমূহের বর্তমান আবস্থান	সিডিউলের মূল্য	দরপত্র জামানত
১	কার নং-ঢাকা-মেট্রো-প-১১৩৮	তুলা গবেষণা কেন্দ্র, শ্রীপুর, গাজীপুর।	১,০০০/- (এক হাজার টাকা)	উদ্ধৃত মোট মূল্যের ২৫% হারে টাকা (যেহেতুযোগ্য) ব্যাংক ড্রাফট/পে-অর্ডার আকারে দরপত্রের সাথে জমা দিতে হবে।
২	জীপ নং-ঢাকা-ঘ-৭৮০২	তুলা গবেষণা কেন্দ্র, জলাশীপুর, যশোর।		
৩	জীপ নং-ঢাকা-ঘ-৭৭৮৬	তুলা গবেষণা কেন্দ্র, সদরপুর, দিনাজপুর।		
৪	ট্রাক নং-যশোর-ট-০৮২৯	তুলা উন্নয়ন বোর্ড, যশোর জোন (বিকল্পগাছা জিনিং কেন্দ্রে)		
৫	ট্রাক নং-ঢাকা-ড-৩২০৭	তুলা গবেষণা কেন্দ্র, শ্রীপুর, গাজীপুর।		
৬	ট্রাক নং-ঢাকা-ড-৩২০৮	তুলা গবেষণা কেন্দ্র, শ্রীপুর, গাজীপুর।		
৭	ট্রাক নং-বাংপুর-ট-৫৩৫৯	তুলা উন্নয়ন বোর্ড, বাংপুর জোন (পীরগাছা জিনিং কেন্দ্রে)		

শর্তাবলীঃ	#	তুলা উন্নয়ন বোর্ড, খামারবাড়ি, ফার্মগেট, ঢাকা।	
১	#	২৩/০২/২০২০ তারিখ অফিস চলাকালীন সময়ে পর্যন্ত।	
২	#	২৪/০২/২০২০ তারিখ সকাল ১২.০০ ঘটিকা পর্যন্ত।	
৩	#	২৪/০২/২০২০ তারিখ বেলা ১২.১৫ ঘটিকায়, দরপত্রদাতাদের সম্মুখে (যদি কেহ উপস্থিত থাকেন) খোলা হবে।	
৪	#		
৫	#		
৬	#		
৭	#		
৮	#		

জিডি-২৬১	ড. মোঃ ফরিদ উদ্দিন নির্বাহী পরিচালক
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