



Syed Habib Hasnat, managing director of NRB Global Bank, opens two Islamic banking branches of the bank at Chawkbazar Dhaka and Chawkbazar Chattoagram at a programme yesterday.

NRB GLOBAL BANK

## SMEs are in dire need of a lifeline from banks

FROM PAGE B1

Citing his recent study among women entrepreneurs, he said 95 per cent of the respondents did not get the fund.

They are begging at the doors of banks for loans but in vain, said Eusuf, also director of the Centre on Budget and Policy at the University of Dhaka.

"Their situation is different and they should be treated differently," he added.

Khwaja Shahriar, MD and CEO of LankaBangla Finance, echoed the same.

"We all should work so that SMEs can recover," he added.

The condition of micro and cottage enterprises was very weak and these businesses need support on easy terms, said Ferdous Ara Begum, chief executive of Business Initiative Leading Development (BUILD).

She urged for increasing the repayment period of loans for small entrepreneurs.

Citing that India offered Rs 3 lakh in collateral-free loans, she demanded granting Tk 2 lakh as collateral-free loans for small and micro businesses.

"Overall, we are lagging behind loan disbursement," said Centre for Policy Dialogue Research Director Khondaker Golam Moazzem.

The government's intentions were good but banks were not properly doing their job of implementing the stimulus plan.

They are focusing on lending to those who have. They are showing slackness, he said, demanding that the central bank disclose bank-wise loan disbursements against targets.

"If the economy recovers, why will the SMEs not get loans?" he asked.

Frustration has gripped many micro and small entrepreneurs as they were not getting any finance, said Nazeem Sattar, general manager of SME Foundation.

Banks are giving priority to their existing clients, he said, while demanding measures to ensure loans for the SMEs that do not get it from banks.

"It is necessary to develop an alternative mechanism for those small businesses that are not served by banks."

State banks have branches all over the country and they have an important role to play, Sattar added.

The central bank eased application procedures for loans and cut documentation requirements for the SMEs, said Asif Iqbal, joint director of the Bangladesh Bank.

"We have to be prepared to serve a huge demand surge in the post-pandemic period," said Planning Minister MA Mannan.

He suggested that the central bank consider ways to relax repayment schedules for the SMEs and energise state banks so that they lend to the SMEs more aggressively.

"The pandemic has created a shift toward virtual marketplaces from physical stores. We have to utilise the digital prospect," he said.

Md Kamruzzaman Khan, senior vice-president and head of SME Financial Services of LankaBangla Finance, said the non-bank financial institution gives focus on lending to manufacturing SMEs.

Syed Ashfaque Haque, executive editor of The Daily Star; Borhan Uddin, executive director of the Institute of International Business & Management; and Shabbir Shawkut, technical advisor-capacity building and public-private dialogue of The Asia Foundation, also spoke.



## Alamgir Hossain, new DMD of Bank Asia

STAR BUSINESS DESK

Alamgir Hossain has recently been promoted as the deputy managing director of Bank Asia.

Prior to the promotion, Hossain has been serving the bank as senior executive vice president and head of principal office branch.

Hossain started his banking career with Eastern Bank in 1997 as a probationary officer and joined Bank Asia in 2005 as assistant vice president.

He has also served the bank as head of major branches in Mohakhali, MCB Banani, MCB Dilkusha along with the principal office.

He completed his post-graduation in English from Dhaka University.

## BIDA to provide 13 more services online

FROM PAGE B1

of Doing Business index. Effective implementation of OSS will enhance employment generation, boost economic development and growth.

The chamber will work hand in hand with the government and BIDA to contribute to fulfilling the dream of building 'Digital Bangladesh' and attain the target of becoming a developed nation by 2041, Mahmud added.

Export-oriented industries will get the opportunity of having their land mutation within seven working days, said Md Muksodur Rahman Patwary, land secretary.

Digital initiative like OSS will usher trade and investment opportunity in future, which will boost employment generation, said Ziaul Hassan, the environment secretary.

Some 154 services will be provided through 35 organisations under the OSS.

There are three components like process, time and cost that are very important in climbing up the ease of doing business index, said Md Sirazul Islam, executive chairman of BIDA.

By implementing the OSS, the process, time and cost will automatically come down.

Using the digital platform will ease the process and it will help remove corruption as well.

The OSS app is mobile compatible and there is an option of feedback to monitor its activities, Islam added.

# Working from home raises questions about US inequality: Fed panel

REUTERS, San Francisco

In a shift that some experts believe exacerbates already deep inequalities in the US economy, more Americans than ever are working from home, and many are likely to continue to do so even after the health threat from Covid-19 has abated.

With cases of the virus still on the rise, about 40% of the US labour force is working from home. They are five times as likely to have a university degree as those who are not, Stanford University professor Nicholas Bloom said at an event convened on Thursday by the San Francisco Federal Reserve Bank to discuss the future of work.

Surveys show that most want to keep working at home at least part-time even after the pandemic is over, and a recent survey by the Atlanta Fed shows firms expect that as well.

At the same time, about 30% of people are still doing their jobs in person, Bloom noted. Their jobs tend to be lower-paying, and often put workers at risk of contracting the virus either on the job or during their commute.

Another 30%, Bloom said, have lost their jobs or left the workforce. They risk their skills and work connections atrophying, setting them up for potentially lower pay in the future.

The pandemic has thrown a spotlight on inequalities of all sorts, including access to healthcare, housing and jobs.

"Working from home really risks a big

increase in inequality," Bloom said.

But to Github Chief Operating Officer Erica Brescia, a fellow panellist, the ability to work from home makes businesses "much more inclusive."

Giving workers the flexibility to arrange their schedules around non-work obligations has

made it possible to hire people who otherwise might not have been able to take a job, she said. Github allowed workers to work fully or partly from home even before the pandemic.

Recent census data shows that women ages 25-44 are almost three times as likely as men to be out of work, due to the demands of childcare.



Michael Antonorsi, chief joy activator at Chuao Chocolatier, goes over some documents as he works from his beachfront home during the outbreak of the coronavirus in Leucadia, California, US.

REUTERS/FILE

## Pharma stocks flying amid pandemic

FROM PAGE B1

But as people have started to see doctors like before and take prescription-based medicines, drug makers may witness higher profits in the first quarter of the current fiscal year, he said, adding that their export earnings also soared thanks to higher demand for remdesivir in the global markets.

"The local consumption of medicines is also very high because of our huge population. So, the stock prices of the pharmaceutical companies are expected to rise during the pandemic," said Bashar, who is also a former secretary-general of Bangladesh Merchant Bankers' Association.

Some of the listed companies have started to produce remdesivir, which will also have an impact on their stock prices.

"Doctors use mostly local medicines in treating COVID-19 patients. This is another inspiring matter that is attracting investors to the pharmaceutical sector," he added.

## US regulator proposes scaling back personal information from trading database

REUTERS, Washington

The US Securities and Exchange Commission (SEC) on Friday said it would remove some personal information from a controversial trading database, bowing to pressure from the brokerage industry which has long warned the project would be vulnerable to hacks.

Friday's proposal, which is subject to a public consultation, seeks to limit the scope of sensitive information required by a massive new industry trading database, the Consolidated Audit Trail (CAT), conceived to help the regulator better police the markets.

The proposal, which comes nearly two months after brokers had begun sending sensitive client trading information to the CAT, seeks to increase security requirements amid ongoing concerns a cyber breach would expose brokers, their clients, and individual staff.

The proposal would no longer require brokers to report a client's social security number or individual taxpayer identification number and account numbers. It would also replace the date of birth requirement with just the year of birth.

The aim of the CAT was to allow regulators to track all trades from their inception, pinpointing buyers, sellers, exchanges and brokers involved, making it easier to detect and prosecute manipulation and insider trading.

But the project has faced years of delays as the industry has wrangled with regulators over how to execute the project and who should be liable in the event of security breaches.

On Friday, the SEC proposed to establish a working group to establish more robust processes for accessing and analyzing CAT data. This would include limiting the maximum number of records that regulators can download and requiring a log of CAT data extraction, among other measures.

# South Africa retailers feel pain from coronavirus pandemic

AFP, Johannesburg

South Africa's retail industry is feeling the pain from the coronavirus pandemic on two fronts -- store closures during lockdown and the sharply reduced purchasing power of households.

South Africa, the continent's most industrialised economy, went into strict lockdown at the end of March, with people only allowed to shop for essential items such as food, medicine and winter clothing.

It is also the African country that has been hardest hit by COVID-19, with more than 600,000 cases and at least 2,500 deaths. Restrictions have been gradually rolled back since June. Alcohol and tobacco sales were allowed to resume this week and, generally, business is now almost back to normal.

Nevertheless, retailers are reeling from the economic effects of months of suffocating restrictions.

South Africa's Massmart -- majority-owned by US giant Walmart -- said on Thursday that it expected half-year losses to widen by as much as 42 percent as a result of the nationwide lockdown.

Massmart was already in dire straits before the pandemic and closed a 23-store electronic retail chain and 11 wholesale outlets shortly before the lockdown came into effect.

"Retailers that were already taking the strain" in an economy that was contracting even before the outbreak have found themselves vulnerable to the virus fallout, said Casperus Treurnicht, portfolio manager at Gryphon Asset Management.

South African shoppers have had to get used to wearing a mask, having their temperature taken at the door and using hand sanitisers.

And even as the economy reopens, shops will continue to enforce such measures in order to protect both staff and customers.

Investment analyst Lulama Qongqo suggested that customers were likely to favour stores with visible hygiene measures. "Retailers who cannot signal that it's safe to shop in their locations are probably going to lose, and perhaps those are the ones more likely to be plagued by the question: 'Can we survive?'," Qongqo told AFP.

But the measures come at a cost.

Since the start of lockdown, South Africa's second-largest supermarket chain Pick n Pay has had to budget for protective equipment, a voluntary severance programme taken by 1,400 of its 9,000 employees and bonuses for front-line workers.

The company, which has a market capitalisation of over \$1.2 billion, warned that its profits in the first half could be halved as a result of the

fallout from coronavirus. Faced with rising unemployment and uncertainty about the future, South African households are tightening their purse strings.

And that, in turn, makes it difficult for retailers to draw in customers.

The central bank has slashed lending rates by 300 basis points since January to boost spending, but economists fear it will not be enough.

"The consumer will be trading down and the operator with the best price and ease of buying will come out on top," said Treurnicht of Gryphon Asset Management.

On the other hand, digital services and e-commerce are booming. South Africa's largest online shopping platform Takealot, which had estimated sales of around one billion rand (\$57.9 million) per month between January and March, recently reported a surge in demand.

"South Africans have embraced online shopping in a more natural fashion and this trend is looking likely to continue," said Matthew Leighton, spokesman for OneDayOnly, another digital sales platform.

Traditional brick-and-mortar retailers are also developing their omni-channel trade.

Durban-based apparel and homeware giant, Mr Price Group, saw online sales grow by 75 percent during the pandemic.



Sohel Rana from Chatmohar in Pabna receives a dummy cheque for Tk 10 lakh from the officials of Walton at the company's distributor showroom M/S. Kawsar Motors and Electronics on Chatmohar College Road in Pabna. Rana won the money after purchasing Walton branded refrigerator under Walton's ongoing Digital Campaign Season-7.

WALTON



Major General Md Enayet Ullah, vice chairman of Trust Bank, presides over the bank's 21st annual general meeting through a digital platform yesterday. Faruq Mainuddin, managing director and CEO, also took part in the event. The bank approved 5 per cent cash and 5 per cent stock dividends for the year ended on December 31, 2019.

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