



Syed Waseque Md Ali, managing director of First Security Islami Bank, opens the bank's zonal office in Cumilla yesterday through a digital platform.

Japan business sentiment perks up as hit from pandemic begins to ease

Japanese business sentiment improved in July-September from a 11-year low hit three months ago, a key central bank survey showed, in a sign the economy is gradually emerging from the devastating hit from the coronavirus pandemic. The data offers some hope for new Prime Minister Yoshihide Suga's efforts to achieve an economic revival from the crisis and pave the way for hosting next year's Tokyo Olympic Games. But factory activity remained shaky and corporate capital expenditure plans were at their weakest since the 2009 global financial crisis, underscoring the challenge of pulling the world's third-largest economy sustainably out of its slump. As the pandemic's pain persists, a ruling party heavyweight signalled Japan's readiness to compile a "large-scale, bold" additional spending package. The headline index for big manufacturers' sentiment improved to minus 27 in September, off a 11-year low of minus 34 in June but worse than a median market forecast of minus 23, the Bank of Japan's closely watched "tankan" survey

showed on Thursday. While it showed many firms remain downbeat, it was the first sign of improvement in nearly three years. "The big manufacturers' index turned out a little weaker than expected, reflecting an uneven recovery," said Takeshi Minami, chief economist at Norinchukin Research Institute. "Capital expenditure may weaken in coming months as companies put off non-urgent spending plans amid slumping profits," he said. Big non-manufacturers' sentiment also recovered to minus 12 from minus 17 in June, worse than a Reuters poll of minus 9 but the first improvement in five quarters. Both manufacturers and non-manufacturers expect conditions to improve three months ahead, giving new premier Suga some breathing space. But some sectors fared better than others in a sign of the patchy nature of the recovery. While carmakers and restaurants saw demand pick up as lockdown measures were eased, machinery makers continued to suffer from sluggish orders. Big firms plan to raise their capital expenditure by just 1.4 per cent in the current business year to March 2021, lower than a 3.2 per cent increase

projected in June. Total spending plans by companies of all size and industry for the current fiscal year fell 2.7 per cent, the biggest drop marked in any September survey since fiscal 2009, the tankan showed. "With uncertainty over the pandemic looming, it's doubtful whether corporate sentiment will recover medium- to long-term," said Yuichi Kodama, chief analyst at Meiji Yasuda Research Institute. "The economy may stagnate after the effect of various government stimulus measures run their course," he said. Factory activity posted its longest streak of declines on record in September, a separate private survey showed on Thursday, underscoring the huge toll the health crisis has taken on the manufacturing sector. Japan suffered its biggest economic slump on record in the second quarter as the pandemic and anti-virus measures crippled demand, and analysts expect any rebound to remain modest as fears of a second huge wave of infections weigh on consumption. The BOJ has kept monetary policy steady since ramping up stimulus in March and April to cushion the economic blow.

India's power generation rises for the first time in seven months

India's electricity generation rose for the first time in seven months in September, government data showed, as the removal of most coronavirus-related restrictions boosted power demand in three-quarters of the country's states. Activity in India's factories expanded at its fastest pace in over eight years in September as a relaxation in lockdowns drove a surge in demand and output, a survey showed on Thursday. Industries and offices account for half the annual electricity consumption and Prime Minister Narendra Modi has been citing power consumption data to point to the emergence of "green shoots" in Asia's third-largest economy. A Reuters analysis of daily load despatch data from federal grid operator POSOCO showed that power generation rose 4.9 per cent in September, the first monthly increase since February.

Still, India's economy is forecast to contract by up to 10 per cent in the fiscal year that began in April, which would be its weakest performance since 1979, and analysts expect annual power demand to fall for the first time in almost four decades. The economy contracted at the steepest pace on record in the three months to the end of June as the government imposed strict coronavirus lockdown measures. India's infrastructure output index, which comprises eight sectors including coal, crude oil and electricity and accounts for nearly 40 per cent of industrial output, contracted 8.5 per cent in August, government data released on Wednesday showed. Renewable energy output rose for the second straight month in September, driven by a higher solar-powered generation. The contribution of coal - India's primary source of electricity - to overall power generation in September was 65.1 per cent, up from 60.9 per cent in August.

Covid-19 to help strengthen garment sector: study

On the other, some factories may be incentivised toward a renewed 'race to the bottom' to attract buyers that are looking to reduce costs to offset financial losses incurred during the pandemic. The increasing gulf between manufacturers could have implications on the future structure of Asian garment production. The pandemic will likely accelerate the uptake and adoption of technology in the sector, especially of digital and analytical tools, thus enabling faster and more efficient production among already more professionalised manufacturers. After an initial deterioration in social and environmental standards due to enterprise level financial constraints, some of the experts predict a new and more forceful phase of industry collaboration to improve long-term industry sustainability. Participants of the study agreed that garment workers in Asia will likely see increased precariousness and competition for jobs in the short-term with a possible deterioration in working conditions, where social compliance investments are downgraded. Technological upgrades and increased competition for jobs may also cause women to be crowded out in the long-term, which is particularly concerning given the role the industry has played in generating millions of formal jobs for women across

Asia in the last three decades. Governments and social partners together with other industry stakeholders have an important role to play in mitigating the impact on garment workers. In the long-term, the pandemic may result in an expansion of social protection measures in a number of Asian countries as governments will invest in new social contracts to boost economic resilience and protect working people from future shocks. If combined with a renewed focus on social and environmental sustainability in the sector, this could have a transformative impact on the future of work in garment manufacturing, leading to greater resilience both for businesses and workers across the region. However, with a complex structure and vast array of stakeholders involved at various parts of the supply chain, it is difficult to envisage a single fate or future for the industry as a whole. Therefore, it is more likely that the sector will evolve in multiple, sometimes competing and contradictory, ways in the coming years, the ILO study said. Garment workers are being highly affected by the pandemic. 12 million garment workers, the majority of whom are women, have had their work hours reduced or have been furloughed or dismissed. In Bangladesh for instance, 2.28 million workers have had their jobs affected by the pandemic.

Energypac to raise Tk 150cr from capital market

Currently, Energypac operates 30 LPG pumps at various private filling stations but is permitted to establish up to 300 LPG filling stations. "We want to create a new possibility for industrialisation by establishing LPG installations in new places so that locals have employment and can also participate in the economy," Raza said. The power engineering company, which is certified by the International Organisation for Standardisation, introduced its G-Gas LPG brand as a part of its efforts to meet the country's growing demand for clean energy. G-Gas LPG currently offers household, commercial, bulk LPG and auto-gas solutions across the country. Around 26 km away from Khulna city, the G-Gas plant was established in Dacope upazila in 2011. The company has the capacity to store 3,000

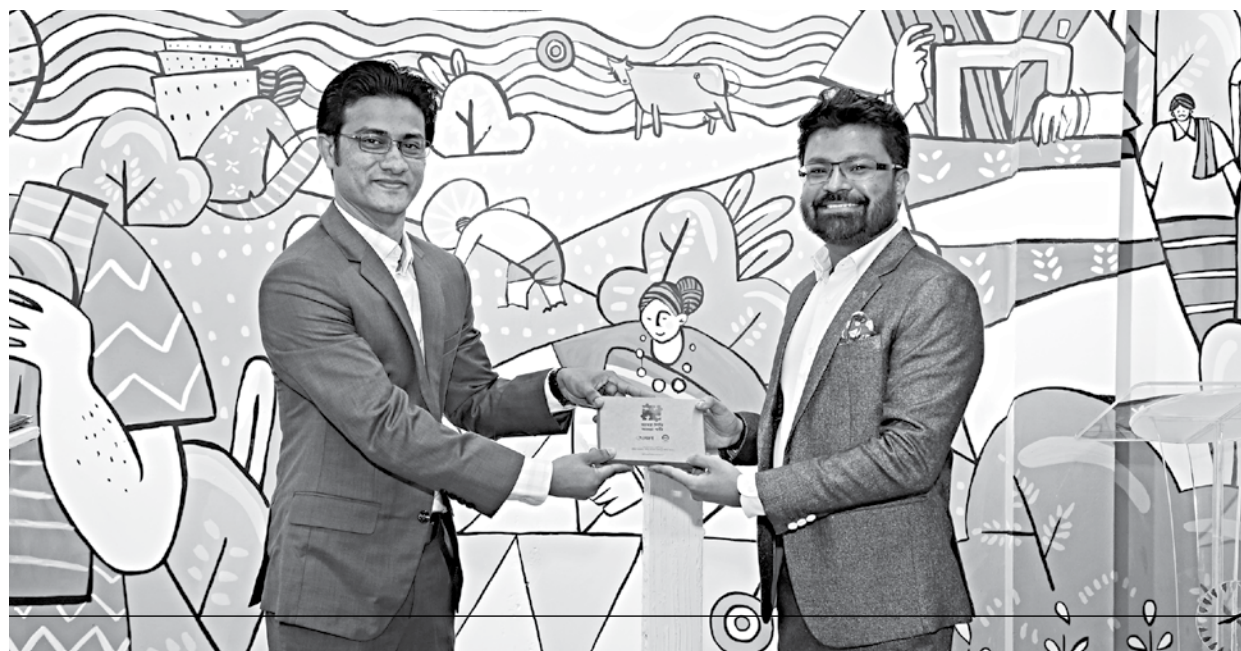
tonnes of LPG at its existing plant in Dacope but this figure is set to increase by 1,800 tonnes after the facility's ongoing expansion is complete. Energypac's net asset value per share with revaluation reserves is currently Tk 45.15, as per the company's consolidated financial report for fiscal 2018-19, when its consolidated earnings per share was Tk 3.13. The company has state-of-the-art manufacturing facilities for its G-Gas and Steelpac products, assembly plants for JAC, which is a commercial vehicle brand, and GLAD, a producer of diesel generators. At the G-Gas plant in Khulna, at least 25,000 LPG cylinders are filled each day. This includes refilling used bottles as well as the 15,000 to 20,000 new cylinders that are produced at the factory every day. G-Gas is just one of the four or five companies that produce LPG cylinders even though there are 22 businesses in the country that produce LPG.

G-Gas aims to crank out 1 lakh cylinders per month by 2021, according to the company's officials. After meeting local demand, the extra cylinders will be exported, they added. Besides, soon after LPG production began in Bangladesh in 2018, G-Gas started construction on another facility on the banks of Shitalakshya river in Narayanganj. The new facility will feature a 1200-tonne capacity spherical tank which will supply auto-gas to the capital and other surrounding districts, the company officials said. Besides, G-Gas plans to set up bottling plants in Chattogram, Sylhet and Bogra to deliver LPG to the customer's doorstep, said Lutfar Rahman, deputy general manager of G-Gas. At present, G-Gas is providing fuel services to 3.5 lakh customers and as per the company's calculations, they currently have a market share of 9 per cent.

US firms keen to invest in ICT, energy, pharma

The US is Bangladesh's single largest export destination and is also the biggest investor in the south Asian country, Rahman said. Bangladesh will continue to proactively pursue economic diplomacy with neighbouring, regional and global players, he added while welcoming the US's interest and involvement in existing and new

initiatives. Under-Secretary Krach appreciated Bangladesh government's initiatives to attract foreign direct investment. Md Shahriar Alam, state minister for foreign affairs, along with senior officials from relevant ministries and departments of both countries, also attended the meeting.



Anwarul Amin, right, CEO of Prerona Foundation, hands over a 'Prerona Mask' package to Khalid Hussain, business head of commodity and general merchandise at ACI Logistics Ltd, at a deal signing ceremony in Dhaka recently. Shwapno, a retail chain owned by the company, will sell the high-quality face masks manufactured by specially-abled individuals under 'Amra Shikhi, Amra Pari' project of the foundation and PFDA Vocational Training Centre.



Md Nurun Newaz Salim, chairman of NCC Bank, presides over the bank's 35th annual general meeting recently through a digital platform. The bank approved 15 per cent cash and 2 per cent stock dividends for 2019. Khondoker Nayeemul Kabir, CEO (current charge), was present.

Eighth five-year plan unfazed by pandemic

The government plans to raise tax revenue to GDP growth of 12.26 per cent in FY25, which was 8.89 per cent in FY19, which was one of the lowest in the world. According to the document, there are three major challenges on the employment front: First, employment growth has been much slower than GDP growth implying that the employment elasticity of GDP is falling. Second, employment in manufacturing and construction contracted between 2013 and 2016-17 even as value-added growth in these

activities accelerated. Third, the concentration of jobs in the informal sector further increased raising concerns about the shortage of decent jobs. "A major policy challenge facing the 8FYP is how to ensure that GDP growth acceleration creates more good jobs in the economy," said Prof Alam in the presentation. The plan's strategy to addressing the poverty problems for the lagging regions would be to refocus ADP spending to improve the health, education, and infrastructure needs, give higher priority and greater

beneficiary coverage of social protection programmes, focus agriculture research and extension services to help farm productivity and incomes and support the growth of non-farm rural enterprises. The plan includes seven pivotal themes: promoting labour-intensive, export-oriented manufacturing-led growth; promoting agricultural diversification; infusing dynamism in the micro and small enterprises; strengthening modern services sector; pushing exports of non-factor services; and strengthening overseas employment.

State-civil society mistrust could impede SDG attainment: experts

He also said a strategy of "don't push anybody behind" has to be followed all the time. Sudipto Mukerjee, resident representative of the UNDP Bangladesh, emphasised social safety net programmes for the marginalised people of society. "The activities for achieving the SDGs in the post-Covid-19 period will have to be environment-friendly, unbiased and inclusive," he added. The government should adopt a long-term and cooperative-based initiative, said Tapan Sarker, an associate

professor at the Griffith University. The Covid-19 has exposed the lack of trust on various health service providers. Therefore, the entire health sector will have to undergo a reform initiative, said Prof Salahuddin M Aminuzzaman of the NSU. Environmental issues have to be prioritised as it is one of the integrated and essential agendas of the SDGs, said Sharif A Mukul, a senior research fellow of the USC. The interests and rights of the people have to be prioritised while addressing the SDGs during the new-normal period, said Shahidul Haque,

a senior fellow at the NSU's South Asian Institute. There has to be an initiative for global dialogue if needed to address the challenges in a better way, he said. The Covid-19 has forced a vast number of students into a challenging situation. Thus, prioritised efforts have to be taken to address such problems, said Prof Atiqul Islam, vice-chancellor of the NSU. He also put emphasis on ethical education. Katherine Li, adviser to the CPS, gave the welcome speech while Bulbul Siddiqi, an associate professor at the NSU, moderated the webinar.