

Jute goods fair begins in Patuakhali

OUR CORRESPONDENT, Patuakhali

A three-day fair on jute goods began at the Sheikh Rasel Children's Park in the district town yesterday.

Various products made from the natural fibre are being displayed and sold from 9:00am to 8:00pm at the 30 stalls set up at the exposition venue. The Jute Diversification Promotion Centre, a wing of the textile and jute ministry, has organised the fair.

Begum Rina Pervin, additional secretary of the ministry, inaugurated the fair. AKM Shamimul Haq Siddique, deputy commissioner of the district, was also present at the opening ceremony.

Stall-owners are showcasing products such as money bags, shoes, shopping bags, pen-holders, flower-holders, vanity bags, carpets, clothes, home textiles, and toys.

Samsung Elec flags stronger Q2

REUTERS, Seoul

Samsung Electronics Co Ltd on Thursday flagged stronger earnings and announced a cancellation of treasury shares after posting a solid first-quarter profit boosted by the memory chip business, sending its shares to a new high.

Samsung rejected a call from U.S. activist hedge fund Elliott to split itself in two but accepted part of the fund's proposals

on Thursday, revealing plans to cancel its existing treasury shares worth over \$35 billion by 2018.

While the first quarter was a torrid time for Samsung as chief Jay Y. Lee was swept up in a political corruption scandal, the world's top maker of memory chips, smartphones and televisions still managed to book a profit that supports expectations for record earnings in 2017.

Concerted efforts needed for haor areas

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The reports were: 'Data Gap Analysis for SDGs: Bangladesh Perspective', 'Banking Atlas' and 'Environment and Climate Change Policy Gap Analysis in Haor Areas'.

"Studies and experts are a necessity to improve the lives and livelihood of haor people," said Mahmud, also a former adviser to the caretaker government.

Planning Minister AHM Mustafa Kamal also emphasised on coordinated efforts to develop the haor areas.

The issue of haor development has been strongly emphasised in the seventh five-year plan, said Prof Shamsul Alam, member of the Planning Commission, adding that the government has taken various initiatives to improve the lives of those living in haor areas.

He supported the idea of providing

lease of water bodies to community-based organisations and urged the authorities concerned to conduct benchmark surveys and research on different agro-climatic and social aspects of haors.

One of the reports unveiled at the programme found that Bangladesh is facing a significant data gap for monitoring the Sustainable Development Goals as statistics on two-thirds of the indicators are either partially available or not available at all.

There are 241 indicators to monitor the 169 targets under 17 SDGs. But, data of only 70 indicators are readily available, 108 partially available and 63 not available at all, according to one report.

The report on 'Banking Atlas' found that access to and use of formal banking services at the upazila level improved substantially between 2010 and 2015.



BRAC BANK
Sir Fazle Hasan Abed, chairman of Brac Bank, chairs the 18th annual general meeting of the bank, at Brac-CDM in Savar yesterday. The bank approved 10 percent cash and 20 percent stock dividends for 2016. Selim RF Hussain, managing director, was also present.

US jobless benefits claims rise in late April

AFP, Washington

New claims for US jobless benefits rose for the second straight week in late April but continued a record stretch of low levels, the Labor Department reported Thursday.

The figures underscored the tightening US labor market, where unemployment currently sits at 4.5 percent and companies are reporting trouble finding workers to fill positions, even for lower skilled jobs.

For the week ended April 22, new applications for unemployment insurance rose 14,000 from the prior week to 257,000, seasonally adjusted. Analysts had expected the level to remain virtually unchanged.

Offshore banking getting popular among investors

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The amended guideline will introduce conventional banking norms such as similar capital requirement, provisioning, classification, credit rating, single borrower limit for offshore banking too. Offshore banking needs to be organised in a better way to mitigate any future risk from exchange rate fluctuation, the central bank economist said.

Chowdhury of Prime Bank said the main objective of offshore banking was to bring in foreign deposits but the banks could not do it. Now, offshore banking units mainly lend to local companies. Default rate in case of offshore banking came down to 0.26 percent last year from 0.29 percent in 2015, according to data from the.

But a top executive of a private bank said the risk of offshore banking lies in the recovery process, which is lengthy.

"If a client defaults, then it is very difficult to recover the loans. Banks can't recoup the loan directly from the client as custom clearance is also related to it," he added.

Watch out for Myanmar

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As China no longer has transportation lead times, and as a consequence, considerable less sourcing flexibility, its competitive strength is eroding rapidly, it said. "China is no longer a low-cost production country."

Wages have tripled in China over the last decade and productivity gains were unable to level out this effect on overall production costs.

On the other end of the cost continuum, Myanmar and Bangladesh are showing the lowest PCI value.

Ongoing efforts to improve social and infrastructural conditions, such as the established minimum wages in Bangladesh and Myanmar, indicate further increases in sourcing costs for the future -- but still on a very competitive PCI level.

Bangladesh is gaining market share in sourcing for Europe and

North America, the report said.

But the country is still mainly focused on less complex products. Bangladesh has the potential to further strengthen its relative position if production capabilities can evolve and quality can be improved while ensuring social and environmental compliance standards, according to the report.

The study said denim apparel shows a clear move away from China, which lost 7 percent in 2014, while most other markets have been able to strengthen their position.

Looking at the example of denim, Turkey, Tunisia and Poland have been able to expand their position, although cost structures are significantly higher than in the traditional low-cost Asian countries.

These countries offer better prices but come with limitations such as

slow lead time, lower capability levels and concerns over corporate social responsibility.

China is wedged in the middle between both ends of the continuum, neither being fast nor cheap.

Nevertheless, the high level of capability and integration of production in China will no doubt continue to play a major role in the coming years, Kurt Salmon said.

"These developments are further supported by the survey of global leaders in sourcing. Highest future growth potential is observed in Vietnam, Bangladesh, Turkey, and Myanmar in contrast to expected ongoing losses in China."

Garment exports accounted for nearly 85 percent of Bangladesh's total products sold overseas in 2016. The country's share in the global apparel market is about 6 percent.

ADB, City Bank sign \$5m loan agreement

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City Bank became a partner bank in ADB's TFP in early 2016 under the TFP's guarantee product. Since then, ADB and City Bank have worked on eight transactions together valued at \$15 million.

"City Bank signed the Trade Finance Guarantee Facility agreement last year and our relationship with ADB has been stronger since then," said Sohail RK Hussain, managing director of City Bank.

"As City Bank's vision is to be the financial supermarket, we believe that our participation in this revolving credit agreement will help us offer diversified and competitive trade finance products and services to our customers," he said.

The TFP has been operating in Bangladesh since 2005 and currently works with 14 local partner banks. To date, the programme has supported over 1,700 transactions, for almost \$2.5 billion in trade in

Bangladesh.

City Bank is one of the oldest private commercial banks in Bangladesh with total assets at about Tk 260 billion as of December 2016 and an extensive network of 120 branches all over Bangladesh.

The ADB TFP, backed by ADB's AAA credit rating, provides guarantees and loans to over 200 partner banks to support trade, enabling more companies throughout Asia to engage in import and export activities.



AYUB QUADRI, chairman of Linde Bangladesh Ltd; Mohsin Uddin Ahmed, managing director, and Md Anisuzzaman, chief financial officer and company secretary, attend the 44th annual general meeting of the company at Trust Milonayoton in Dhaka yesterday. The shareholders approved a final dividend of 110 percent at the meeting. The company also paid an interim dividend of 200 percent earlier.

New chief for edotco Bangladesh

STAR BUSINESS DESK

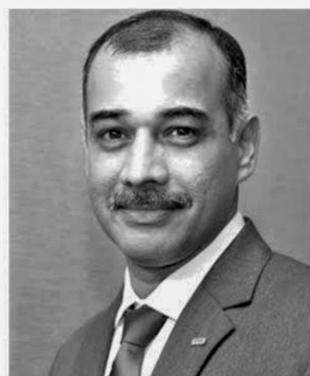
Rahul Chaudhary has recently been appointed as the country managing director of edotco Bangladesh.

He will replace Darryl Sinnappa, who will move on to a new regional role as the group director for sales.

Sinnappa, an international telecom leader with over 22 years diversified professional experience in telecom and IT industry, had previously worked with Axiata Group prior to joining edotco in October, 2014.

Chaudhary brings with him more than 27 years of experience in telecom and office automation verticals across several regions in India and abroad.

He has previously served Reliance Communications Ltd (Mumbai) as the chief operating officer.



Rahul Chaudhary

"edotco Group is one of the region's well established telecoms infrastructure

companies. I am honoured to join edotco as its new country managing director for edotco Bangladesh," Chaudhary said. "I look forward to continuing the success of the group as it seeks to expand and grow in the region."

"I am pleased to welcome Rahul to edotco, and to his new role as country managing director for edotco Bangladesh," said Suresh Sidhu, CEO of edotco Group.

"Rahul's reputation for industry excellence and his excellent track record is well regarded and I am confident Rahul will take edotco Bangladesh forward to greater success." Edotco is the first regional tower services provider in Asia, with a portfolio of over 25,000 towers across core markets of Malaysia, Myanmar, Bangladesh, Cambodia, Sri Lanka and Pakistan.

Rising demand to boost maize production

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"The growth is fuelled by a rise in use of the crop as an ingredient in feed for the livestock and poultry sectors, which has kept margins high for corn farmers."

Maize market price mechanisms are sensitive and farmers in turn respond quickly to price changes of corn and competing crops, USDA said.

"One study estimated that an increase in corn price by 10 percent leads to a rise in production of 4 percent," it said, adding that the growing scarcity of water for irriga-

tion also prompted farmers to shift to the crop.

The agency said the maize growing season does conflict with the seasons for growing wheat, boro rice, potatoes, and winter vegetables.

Nevertheless, it said cultivation of the grain remains a preferred option, particularly for non-irrigated land.

Farmers grow 81 percent of the maize during winter, mainly in the north and southwest districts.

Despite increased production, Bangladesh has to import maize to meet domestic consumption require-

ments of 38 lakh tonnes estimated for fiscal 2016-17.

Grain imports are projected to grow 28 percent to 10 lakh tonnes in fiscal 2017-18 for increased demand from feed mills and mixing with wheat flour for human consumption, it said.

The agency forecasts that total maize consumption will rise to 41 lakh tonnes in fiscal 2017-18.

"Consumption of maize is rising for various purposes. Many people have it as popcorn. It is also used to make flour," said a senior official of DAE.

New chairman for FAS Finance

STAR BUSINESS DESK

Md Siddiqur Rahman has recently been appointed as the chairman of FAS Finance & Investment Ltd.

Prior to the appointment, Rahman was the chairman of the executive committee of the board of directors.

Rahman is the managing director of Simitex Industries Ltd. He is also a director of Clewiston Foods and Accommodation Ltd and Nitel Insurance Company Ltd.

He did his master's in business administration from London Institute of Technology and Research and achieved an advance certificate in business administration from the Institute of Business Administration of Dhaka University.



Md Siddiqur Rahman

Taka makes a strong comeback as BB steps in

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A declining inflow of remittance and a rise in foreign loan repayments were also responsible for the hike, they added.

Import expenditure in terms of letter of credit (LC) settlement increased 20.46 percent year-on-year to \$3.74 billion in March, according to BB data.

The LC opening value surged 20.60 percent to \$4.31 billion in the same period.

Officially, Bangladesh has been maintaining a floating exchange rate for over a decade now, but the central bank has to intervene from time to time to control the market.



Abu Hena Mohd Razee Hassan, deputy governor of Bangladesh Bank, and Sohail RK Hussain, managing director of City Bank, attend a conference on prevention of money laundering and terrorist financing. City Bank organised the event at its head office.

CITY BANK



Md Adil Hossain, executive vice president for enterprise business at Robi, and Saifuddin M Naser, managing director of National Finance Ltd, attend the signing of a deal at the corporate office of the mobile operator in Dhaka. National Finance will get corporate connections from Robi with extended digitalised enterprise solutions.

ROBI