

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES				
Week-on-week	As of Friday	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	JPY	
DSEX	1.53%	\$1,352.00	\$66.24	0.31%	0.16%	0.15%	0.30%	BUY TK	82.35	101.30	116.24	0.74
CSCX	1.57%	(per ounce)	(per barrel)	36,050.44	23,631.88	3,567.14	3,559.09	SELL TK	83.35	104.90	120.34	0.77

আপনার বিআরটিএ ফি এবং সকল ইউটিলিটি বিল এসআইবিএল এর যে কোন শাখার মাধ্যমে জমা দিন



* ফ্রি অনলাইন সেবা
যে কোন প্রয়োজনে ০৯৬২২০০৯২২

Star BUSINESS

DHAKA SUNDAY JANUARY 28, 2018, MAGH 15, 1424 BS

Appetite for savings tools finally fading

AKM ZAMIR UDDIN

Net sales of savings instruments crashed to a 23-month low in December last year as banks started to raise the interest rates on their deposit products on the back of a liquidity shortage.

Last month, the net investment in savings tools stood at Tk 2,651 crore, down 15.94 percent year-on-year, according to data from the Department of National Savings.

Since December 2015 the monthly net sales hovered between Tk 3,000 crore and Tk 5,000 crore.

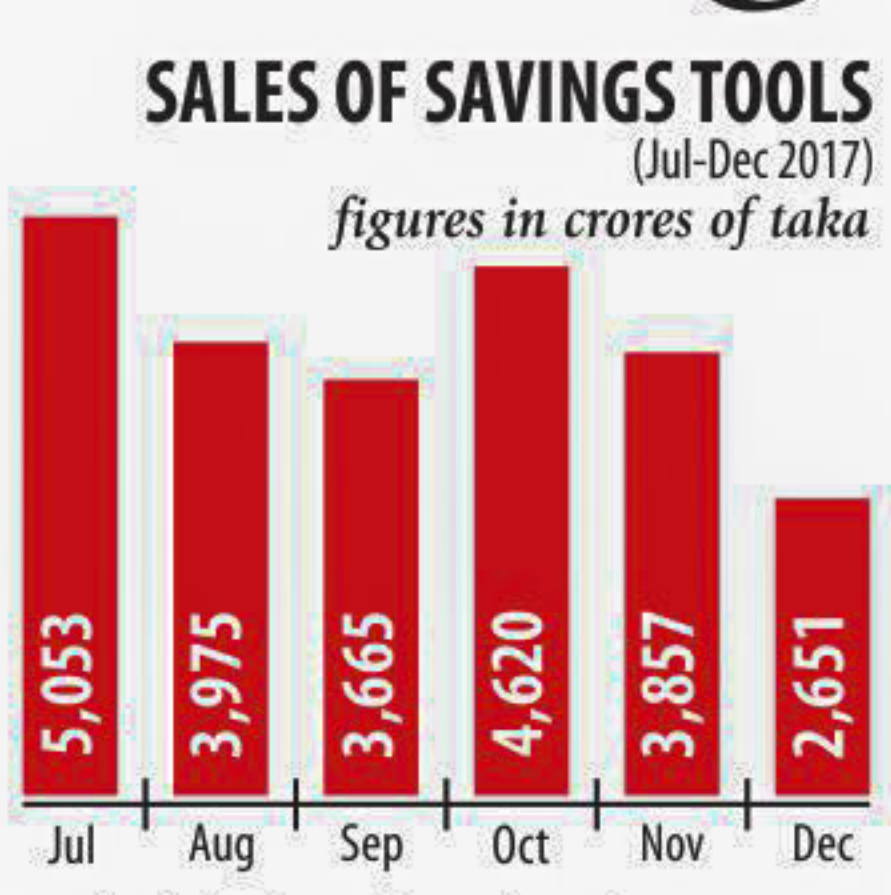
The majority of the banks have recently started to increase the rate of interest on deposit, which has decreased the savers' appetite to park their funds in savings instruments, according to Syed Mahbubur Rahman, managing director of Dhaka Bank.

The banks are now offering interest rate on fixed deposit receipts (FDR) of 9-9.50 percent; the rate is expected to go higher.

Previously, the FDR rate was only 5 to 6 percent and the interest rate on savings tools 11.04 to 11.76 percent.

The reason for the hike in interest rates is to attract deposits, said a Bangladesh Bank official.

Some banks have recently plunged into a liquidity crunch after adopting an "aggressive lending" policy that stands to



push their loan-deposit ratios way past the permissible limit set by the central bank.

The BB blocked Tk 76 crore of two banks with its account for the offence -- a move that sent a strong warning to all banks to curb their aggressive lending instincts.

Between July and December last year, the government's borrowing through savings instruments was about 80 percent of the entire fiscal year's target of Tk 30,150 crore.

In fiscal 2016-17, the net sales of savings tools hit an all-time high of Tk 52,327 crore, which is way past the government's target of Tk 19,610 crore.

This form of borrowing is pushing up the government's interest bill.

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Regent Airways spreads wings to Saudi Arabia

Dhaka-Dammam flights from Feb 22

STAR BUSINESS REPORT

Regent Airways is set to spread its wings to the skies of Saudi Arabia -- a commercially lucrative route given the sizeable population of Bangladeshi expatriates and the home-stead of Muslim holy sites.

Starting from February 22, the private carrier will run flights from Dhaka to Dammam, the third biggest city of oil-rich Saudi Arabia, four times a week.

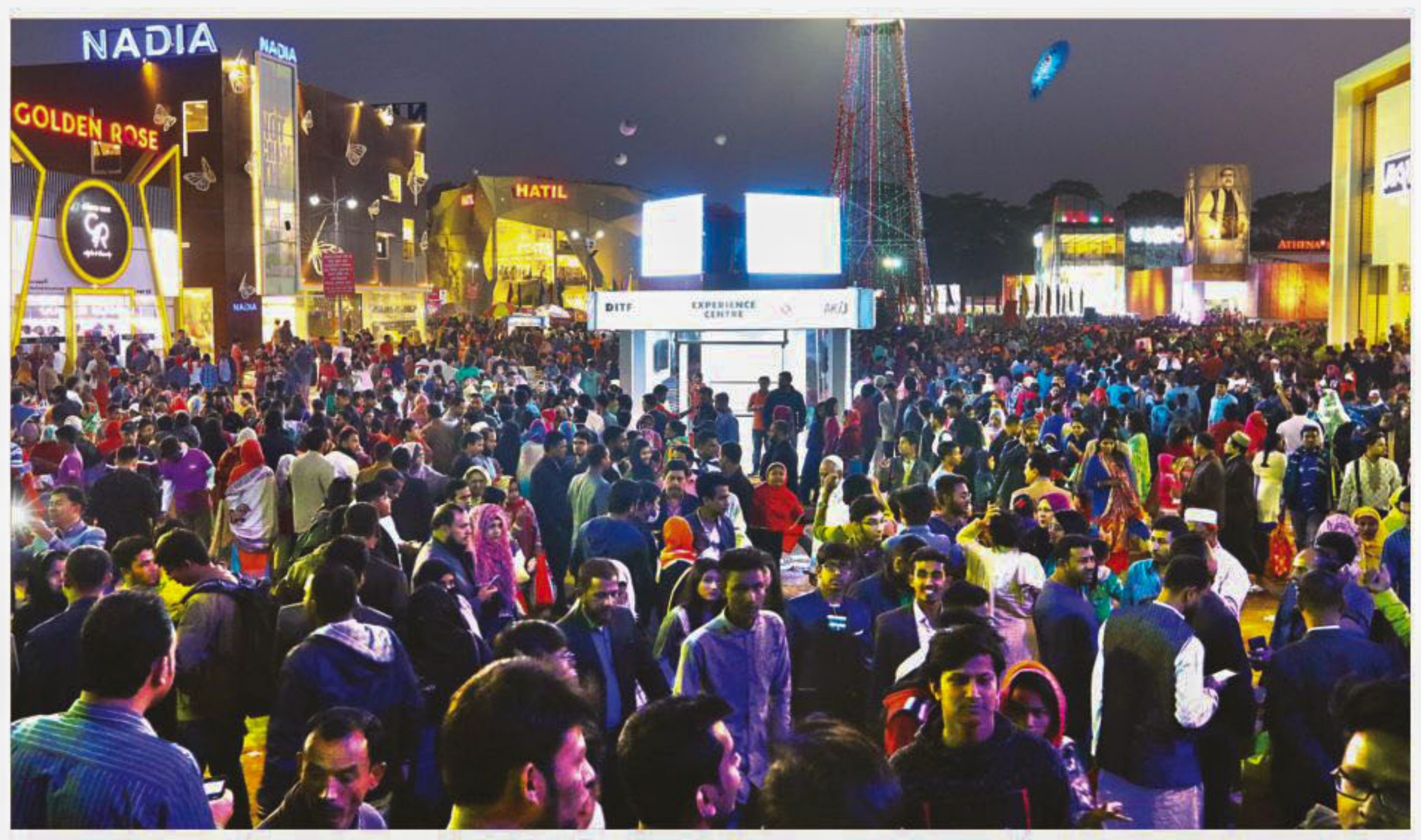


From June onwards, there will be daily flights.

The route will be serviced by the newly-acquired Boeing 737-800 with 176 seats. There would be eight business and 168 economy class seats in the aircraft, said the company in a statement yesterday.

A one-way ticket to Dammam will cost Tk 20,838 and the return Tk 53,395 inclusive of all taxes. The new route will be Regent's 8th international route and the third in the Gulf region.

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Dhaka International Trade Fair is abuzz with visitors as yesterday was the last weekend before the event comes to a close on January 31.

Keep tax structure predictable

FBCCI urges govt

STAR BUSINESS REPORT

The country's apex trade body has urged the revenue authority to avoid issuing gazettes out of the blue as it affects investors' confidence.

"Businesses should be engaged before bringing in any change to rules," said Md Shafiqul Islam Mohiuddin, president of the Federation of Bangladesh Chambers of Commerce and Industry.

Unpredictable policy environment erodes the confidence of the business community, he said at a seminar at the capital's Pan Pacific Sonargaon Hotel on Friday.

The National Board of Revenue organised the event to mark the International Customs Day, which was observed in 182 countries on the day.

This year, the theme for the day was: A Secure Business Environment for Economic Development.

A total of Tk 75 lakh crore will be required to attain the Sustainable Development Goals, Mohiuddin said.

Ensuring a business-friendly environment would facilitate increased trade and investment and thereby lead to higher revenue collection to finance the development schemes, he added.

"The tax and duty rates should be stable," said Mashiur Rahman, Prime Minister's Economic Affairs adviser.

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SMEs should get more attention: experts



Mosharrar Hossain Bhuiyan, NBR chairman; Hossain Zillur Rahman, executive chairman of Power and Participation Research Centre, and Mustafizur Rahman, distinguished fellow of CPD, attend the launch of a book by Momtaz Uddin Ahmed, a professor of Dhaka University, at the university's Lecture Theatre building yesterday.

STAR BUSINESS REPORT

The government should take measures for the development of the small- and medium-sized enterprises to help Bangladesh become a middle-income country, said speakers at an event yesterday.

SMEs are playing a major role in generating employment so the government will have to give attention to the sector, said Mosharrar Hossain Bhuiyan, chairman of the National Board of Revenue.

Bhuiyan's comment came at the launch of a book -- Selected Reading on the Strategies for Inclusive Development in Bangladesh -- by Momtaz Uddin Ahmed, a professor of economics of Dhaka University, at the university's Lecture Theatre building.

The book is a compilation of

selected short essays on important development policy issues for Bangladesh, Ahmed said.

"Government jobs are no more attractive to people and SMEs have had a say in that," Bhuiyan said.

The garment sector is leading the country's exports but most of the companies are medium-sized.

The economy is growing but inequality is emerging as a big challenge, said Hossain Zillur Rahman, executive chairman of Power and Participation Research Centre.

The SMEs are driving the economy but they are not getting adequate policy support from the government.

"Bangladesh could not uphold its competitiveness on the global platform properly," he said, adding that cheap labour should no longer be the only selling point in the global market.

The government should address the challenges of SMEs by conducting an insightful analysis, said Mustafizur Rahman, distinguished fellow of the Centre for Policy Dialogue.

While setting up special economic zones is a good initiative of the government, the SMEs do not have access there, said Selim Raihan, a professor of economics at Dhaka University.

The economic zones will not yield the desired results if their door is not opened to the SMEs.

Raihan also said the employment of female workers in the garment sector has declined drastically in recent times, which will have a negative impact on inclusive development.

"The government should identify the causes behind the declining trend," he added.

ISPs can cut internet cost if demands met

They tell minister

STAR BUSINESS REPORT

Internet service providers placed a six-point demand to Telecom and ICT Minister Mustafa Jabbar on Thursday and said internet usage cost would reduce by at least 20 percent for end users if the demands are met.

They demanded for removal of "unnecessary burdens" to cut internet usage cost.

"It will take only a few days to reduce the cost burden for the end users after abolishing unnecessary slabs and allowing us to provide some new services," said MA Hakim, president of the Internet Service Providers Association of Bangladesh (ISPAB).

The difference in transmission cost in Dhaka and in the rest of the country is huge and rural internet users will benefit if the government addresses this disparity, he said.

The association placed the demands while according a reception to the new minister in the city's Gulshan Club.

Operators of Nationwide Telecommunication Transmission Network (NTN) charge Tk 600 to transmit one megabit in Dhaka and Tk 800 outside, the association said in the letter.

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GP staff protest union registration delay



Members of Grameenphone Employees Union (GPEU) form a human chain in front of National Press Club yesterday demanding that the Department of Labour immediately register the body and issue a certificate as a formal recognition.

STAR BUSINESS REPORT

More than 100 members of the Grameenphone Employees Union (GPEU) formed a human chain in front of the National Press Club yesterday demanding the labour department immediately register the body and issue a certificate as a formal recognition.

The union leaders also held a news conference at the press club where they said it was incomprehensible to them why the GPEU had not been registered although they applied for it more than five and a half years ago.

The union was formed as per laws and the application for the registration was submitted on July 23 in 2012, they said.

The following day Grameenphone promptly and illegally dismissed almost 163 employees, including the GPEU president, vice-president and five other officials, through a single email, said Mia

Masud, general secretary of the union.

Bangladesh's labour law says the employment status of a union member can't change while the application for union registration is being processed.

The labour department rejected the application and the members challenged it with the Labour Appellate Tribunal and got an order in their favour in July 2014.

Grameenphone then challenged it and the verdict given in June 2016 also went in favour of the union. The GPEU got the verdict's certified copy on January 9 this year.

The GPEU leaders said they met the labour department's director-general and written to him informing of the issuance of the verdict's certified copy.

They said the unnecessary delay in the registration process was not understandable, other than a conspiracy being underway.

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RMG WAGE BOARD

Gazette to be published within 3 days: minister

STAR BUSINESS REPORT

The gazette notification for the wage board for garment workers would be published within three days, which would pave the way for a rise in their salaries, said the state minister for labour and employment yesterday.

Md Mujibul Haque said the law

ministry has already vetted and sent the draft copy of the gazette notification to the Department of Printing and Publications.

"We hope the notice will be published within three days," he told The Daily Star.

Once the notification is published, Haque said, the wage board will call

for discussions to recommend a new salary scale for the country's 3.6 million garment workers.

On January 14, the government formed the wage board and ordered it to recommend a minimum salary scale for the garment workers in six months.

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