

Fortune recognises Telenor's Tonic

STAR BUSINESS DESK

Telenor Group has recently been recognised by Fortune magazine for its work to bring affordable healthcare to the mass market through its Tonic mobile service in Bangladesh.

Fortune, a globally renowned business magazine, included Telenor in its fourth annual "Change the World" list of companies that are doing well by doing good, said Grameenphone, a part of the Telenor Group, in a press release yesterday.

Tonic is a digital healthcare service for Grameenphone customers. Tonic aims to provide healthy living and wellness plans for all. Using mobile communication and information technology Tonic aims to be an easily accessible healthcare service.

The companies on this year's "Change the World" list are from 19 countries.

"To be recognised by Fortune as a company that contributes to changing the world is a testament to how Telenor uses its vast footprint and the power of connectivity for social good, to create shared value," said Sigve Brekke, president and CEO of Telenor Group.

Michael Foley, CEO of Grameenphone, said, "The World Health Organisation estimates that



A woman shows his card after completing registration for Tonic, a digital healthcare service of the country's largest telecom operator Grameenphone.

more than 100 million people are pushed into extreme poverty each year due to medical costs and more than 400 million people lack access to basic health services."

"Yet in many places - particularly Telenor markets like Bangladesh, Pakistan and Myanmar - life-changing primary care and health insurance has remained out of reach. Tonic can play an effective role in resolving

this situation," he added.

"Through Tonic, an app-based program aimed at subscribers of Telenor's Grameenphone service, some 5 million customers have signed up for benefits like the Jibon (life) app, which provides free information about maintaining a healthy, sanitary routine," cites Fortune giving the reasoning to include Telenor group in its list.

"Tonic Doktor (doctor) provides

access to immediate medical advice by phone for a fee of about 6 cents per minute. Tonic also offers discounts on medical services and financial aid for hospitalisations," it added.

Telenor's home country is among the world's healthiest. Now the company is helping to improve healthcare in Bangladesh, where getting access to healthcare is difficult, the magazine mentioned.

Dairy intake reduces stunting among children in Bangladesh

A study on dairy consumption finds

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Milk consumption has helped in reducing stunting by as much as 10.4 points among children in Bangladesh, a study finds.

Bangladesh has low levels of per capita milk consumption—less than half compared to that of India—due to several factors, including unavailability of milk, according to the study titled "Household dairy production and child growth: Evidence from Bangladesh."

Derek Headey, senior research fellow at International Food Policy Research Institute (IFPRI), and Samira Choudhury of University of London, authored the study, IFPRI said in a statement yesterday.

Milk consumption fuels linear growth in the crucial first 1,000 days of an infant's life, according to the study which has recently been published in *Economics and Human Biology*, a journal.

"Increasing access to dairy products can be extremely beneficial to the nutrition and long-term health of children 6-23 months of age when incorporated into a diet that includes good breastfeeding practices," said Headey, who is the lead author of the study.

"Given almost half of children in rural Bangladesh are stunted, increasing dairy consumption among children and women of childbearing age should be a central priority for nutritional strategies in Bangladesh."

Milk production and consumption have long been strongly linked to child growth in European and African populations, but little

research has focused on Asian nations.

The study examines the impact of dairy consumption and production on child nutritional outcomes while comparing the influence on breastfeeding. The study utilises the nationally representative Bangladesh Integrated Household Survey of rural areas over two rounds 2011/12 and 2015.

"This finding is especially important as growth faltering appears to be particularly pronounced from roughly 6 months of age to 20 months of age, a period that coincides with the introduction of complementary foods, such as rice, that are often low in protein and micronutrients that aid growth and development," said Headey.

Dairy is high in all three macronutrients (energy, fat and protein), as well as important micronutrients such as Vitamin A, Vitamin B12, and Calcium. However, the study also finds some evidence that household dairy availability can have negative effects on breastfeeding in the first year of life.

Households that produce their own milk are 22 percentage points less likely to breast-feed their children in the first year of life.

"Our results provide a further rationale for utilising campaigns aimed at improving nutritional knowledge, especially the need to reduce the perception that dairy products can be a substitute for breast milk," said Headey.

Undernutrition is associated with nearly 3.1 million childhood deaths and can impair cognitive and physical development in early childhood, as well as education and earnings later in life.

MetLife names new president for Asia



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MetLife has recently announced Kishore Ponnawolu as the president for its Asia region from September 1.

He will become a member of the company's executive group, report to Chairman, President and CEO Steven A Kandarian and be based in Hong Kong.

MetLife also announced Rebecca Tadikonda as head of strategic growth markets for Asia from September 1. She will report to Ponnawolu and be based in Singapore.

Ponnawolu will directly oversee Japan, Korea, Australia and LumenLab, MetLife Asia's innovation hub while Tadikonda Bangladesh, China, Hong Kong, India, Malaysia, Nepal and Vietnam.

Ponnawolu got a doctorate in business administration from Drexel University in Philadelphia, and his master's and bachelor's degrees from Osmania University in Hyderabad, India.

Tadikonda earned her master's degree from Stanford University and bachelor's degree from Dartmouth University.

Global wheat supply to crisis levels; big China stocks won't provide relief

REUTERS, London

A scorching hot, dry summer has ended five years of plenty in many wheat producing countries and drawn down the reserves of major exporters to their lowest level since 2007/08, when low grain stocks contributed to food riots across Africa and Asia.

Although global stocks are expected to hit an all-time high of 273 million tonnes at the start of the 2018/19 grain marketing season, according to U.S. Department of Agriculture estimates, the problem is nearly half of it is in China, which is not likely to release any onto global markets.

Experts predict that by the end of the season, the eight major exporters will be left with 20 percent of world stocks - just 26 days of cover - down from one-third a decade ago.

The USDA estimates that China, which consumes 16 percent of the world's wheat, will hold 46 percent of its stocks at the beginning of the season, which starts around now, and more than half by the end.

The 126.8 million tonnes China is estimated to hold is up 135 percent from 54 million five years earlier.

"People need to get rid of China stocks (in their calculations) ... if you do that, it's just exceptionally tight," said Dan Basse, president of AgResource Co in Chicago.

A repeat of the 2007/2008 crisis, which forced many countries to limit or ban exports, is unlikely in the absence of other drivers at the time, including \$150-per-barrel crude oil.

The recent three-year high for wheat prices of \$5.93 a bushel on the Chicago Board of Trade pales in comparison to the high of \$13.34-1/2 a bushel in February 2008.

Importers in North Africa also appear to be better placed this time, with higher stocks of their own.

"It could have an impact on food inflation but in North African countries they have a good crop this year, fortunately, so their reliance is not as big as in the past years," said Abdolreza Abbassian, chief economist at the United Nations' Food and Agriculture Organisation (FAO).

"I don't think we want to be alarmist in terms of consequences," he added.

China started stockpiling wheat in 2006, setting a guaranteed floor price to ensure food security and stability.

At around \$9.75 a bushel as of last week, Chinese prices are now so high that they cannot sell internationally without incurring a major loss.

Rabobank analyst Charles Clack said he expected China to continue to build stocks into next year but in the



A French farmer harvests in a field of wheat, in Vauvillers, northern France.

long-term it would look to reduce reserves by curbing domestic production, reducing imports or conducting internal auctions. "It will be a slow process ... I wouldn't expect exports to come flying out anytime soon," he said.

Government wheat reserves now total nearly 74 million tonnes, according to Shanghai JC Intelligence Co Ltd, most of it from 2014-2017 but a small amount as old as 2013.

Sylvia Shi, analyst at JC Intelligence, said China would continue to import wheat it cannot produce in sufficient volumes to help meet a growing appetite for high-protein varieties for products like bread and other baked products as diets become Westernised.

The wheat crop in several of the world's biggest exporters - Argentina, Australia, Canada, the European Union, Kazakhstan, Russia, Ukraine and the United States - has suffered this year.

A spring drought in the Black Sea bread baskets Russia and Ukraine was swiftly followed by a summer heatwave in the European Union. Dry weather now also threatens crops in another important exporter, Australia. Evidence of the serious harm done has grown as harvesting progresses.

Forecasts for the 28-member European Union have repeatedly been cut, with Germany set for its lowest grain harvest in 24 years after crops wilted under the highest summer temperatures since records began in 1881.

Russia's agriculture ministry held a meeting with grain traders on Friday to discuss export volumes.

The ministry denied export limits were discussed but traders, some of whom were at the meeting, said curbs might be imposed later in the season following complaints from domestic meat producers about the rising cost of animal feed.

Nokia secures 500m euro EU loan for 5G development

REUTERS, Helsinki

Finnish telecom network equipment maker Nokia has secured a 500 million euro (\$572 million) loan from the European Investment Bank to step up development of next-generation 5G technology capable of faster speeds, wider coverage and more stable connections.

5G mobile networks, which are still at an early stage, will offer data speeds up to 50 or 100 times faster than current 4G networks and serve as critical infrastructure for a range of industries, such as driverless cars.

"We have to understand that China and the U.S. have moved fast with the 5G. It is very important to have European companies going in for this competition," EIB vice president Alexander Stubb, a Finn himself, told the online edition of Helsingin Sanomat.

The bank had earlier this year signed a 250 million euro loan deal with Nokia's Swedish rival, Ericsson, but EIB noted that



The headquarters of Finnish telecom network company Nokia in Espoo, Finland.

the terms of the agreements were different.

The network gear business, led by China's Huawei and the two Nordic companies, has struggled with flagging growth since demand for the current generation of 4G mobile equipment peaked in 2015.

Nokia last month announced \$3.5 billion deal with U.S. mobile carrier T-Mobile, so far the world's largest 5G agreement.

By 2025, 1.2 billion people worldwide are set to have access to 5G networks - a third of them in China, according to trade group GSMA.

Steelmakers flexing muscles

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The country's consumption is almost half of India's 65kg and one-seventh of Asian average of 255kg, according to local companies and India-based information services provider SteelMint.

Still, local manufacturers are quite optimistic about a consistent and healthy growth of the industry in the years to come.

Tapan Sengupta, executive director of BSRM, said the sector is booming thanks to the high demand from large infrastructure projects and the housing sector.

The sector's growth is mainly driven by the government's spending on mega infrastructure projects, which account for more than 40 percent of the consumption, said Manwar Hossain, managing director of Anwar Group of Industries.

"The growth trend will continue for the next 20 years to 25 years and the steel demand will also increase in line with development activities of the government and the booming housing sector in both urban and rural areas."

He said foreign investors have

realised the potential of the market and are keen to invest in Bangladesh.

The demand has been growing at more than 15 percent annually for the last few years, said Md Ashrafuzzaman, director for marketing and sales of GPH Ispat.

"We predict the growth will reach 20 percent next year," he said.

BSRM is the market leader with 25 percent share and produces about 15 lakh tonnes of steel every year.

There are some 400 big, medium- and small-sized steel mills in the country with a combined production capacity of 80 lakh tonnes. Of them, the top 10 companies hold more than 50 percent stakes.

Local millers manufacture mainly two types of products: flat steel (corrugated iron sheet and cold rolled coil) and long steel (mild steel rod and thermo-mechanically treated bar).

They primarily source raw materials from ship-breaking industry in Chittagong and also import 15 lakh tonnes of billets each year.

China's Foton to assemble vehicles in Bangladesh

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By signing the agreement, ACI Motors has become the sole distributor of a wide range of commercial Foton vehicles like pick-up van, double cabin pick-up, school van, dump truck, transit mixer, bulk cement carrier, fire service vehicle, cleaning vehicle, and heavy crane.

Kazi M Aminul Islam, executive chairman of the Bangladesh Investment Development Authority, said the investment would help develop the private sector.

"I hope Foton's entry into the country will help Bangladesh adopt new technologies and business knowledge," he said.

FH Ansarey, managing director of ACI Motors Ltd, said the motors business was significantly associated with the movement, speed and growth of Bangladesh.

"ACI Motors inspired people to jump from bull carts to power tillers, power tillers to tractors and now tractors to high-speed four wheelers. It was our long cherished dream to initiate this business," he added.

Ansarey and David Lee, executive vice president of Foton Motor for South Asia, signed the agreement.

Ceramic makers decry gas diversion to power plants

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Mir Moshiru Rahman, managing director of Titas, said some factories have been facing a gas crisis mainly due to the diversion of gas to power plants in Sirajganj and other northern districts due to a crisis of coal.

"Primarily, we have an overall gas crisis. Secondly, the gas was diverted to power plants for electricity production as some coal was stolen a few days ago," he said.

However, the situation has been improving every week and the gas pressure is also increasing in industrial zones gradually, the managing director said.

The ceramic sector has been showing potential in exports over the years as demand has been growing worldwide.

Bangladesh exported ceramic products worth \$51.94 million last fiscal year, up 32.70 percent from the previous fiscal year, according to data from the Export Promotion Bureau.

BASIC Bank MD tenders resignation

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The bank suffered a loss of Tk 2,654 crore in the past four years and 21 out of 68 branches are now suffering from losses.

The recent fragile condition of the bank has subsequently created a frustrating situation for Khan, who earlier served as the managing director of Rajshahi Krishi Unnayan Bank and deputy managing director of Agrani Bank, said an official of BASIC Bank.

According to the central bank's probe report, about Tk 4,500 crore was swindled out of BASIC Bank through loan scams during the four-year tenure, 2009 to 2013, of Bacchu, the then chairman.

Most of the loans turned bad, forcing the once profit-making BASIC Bank to seek bailout funds from the government to meet its capital requirement.

The government gave the bank over Tk 3,000 crore from the exchequer in the last four years despite huge criticism from different quarters.