

## IPDC, Trust Bank cleared to issue bonds

STAR BUSINESS DESK

Trust Bank and IPDC Finance have recently attained the Bangladesh Securities and Exchange Commission's approval to issue bonds for raising capital.

The bank will raise Tk 500 crore issuing "TBL fully redeemable non-convertible unsecured subordinated bond IV", each of Tk 1 crore in face value and with a seven-year tenure, through private placement.

It is said to be aimed at strengthening the bank's Tier II capital which along with Tier I capital makes up a bank's required reserves.

The IPDC will raise Tk 100 crore issuing "fully redeemable subordinated bond", each of Tk 1 crore in face value and with a five-year tenure, through private placement, excluding existing shareholders.

## US to seek currency chapters in trade talks

REUTERS, Nusa Dua, Indonesia

US Treasury Secretary Steven Mnuchin said on Saturday that Washington wants to include a provision to deter currency manipulation in future trade deals, including with Japan, based on the currency chapter in the new deal to revamp Nafta.

The remark drew concern in Japan, where local media ran front-page stories questioning whether this would give Washington the right to label as currency manipulation any future foreign exchange market interventions by Tokyo to keep sharp yen rises in check.

The yen is often regarded as a "safe-haven" currency in Asia, attracting capital inflows during times of market distress that can spike its value for short periods, hurting exports.

Mnuchin told reporters at the International Monetary Fund and World Bank annual meetings in Bali that Washington views the currency chapter in the new US-Mexico-Canada Agreement (USMCA) as a model for future trade deals to deter trading partners from currency manipulation.

"Our objective would be that the currency issues... We'd like to include (them) in future trade agreements. With everybody. I'm not singling out Japan on that," Mnuchin said, when asked whether the United States will discuss currencies in trade negotiations with Japan.

"We haven't had specific conversations on that. We obviously continually have conversations with my counterparts about currency. But that is the model we'd like to incorporate going forward," he said.

Mnuchin has criticized China for recent declines in the yuan's value, and said Washington also wants to make currency issues a central part of any talks to resolve the US-China trade conflict.

Japan's Economy Minister Toshimitsu Motegi, who oversees trade talks with the United States, said on Sunday he had so far made no discussions on currencies with his counterpart, US Trade Representative Robert Lighthizer.

"If discussions on this subject become necessary, they will be made by the finance ministers of both countries," Motegi said in a television program, in response to Mnuchin's remark.

US President Donald Trump and Japanese Prime Minister Shinzo Abe agreed in September to start trade talks in an arrangement that, for now, protects Japanese automakers from further tariffs.

Along with fears of being slapped with higher tariffs on its auto exports to the United States, Japan worries about having its hands tied on addressing sharp yen rises that hurts its export-reliant economy.

Trump in the past has criticized the Bank of Japan's ultra-easy monetary policy, saying it was aimed at weakening the yen, a claim the central bank dismisses.



Shehzad Munim, managing director of British American Tobacco Bangladesh, and Naser Ezaz Bijoy, CEO of Standard Chartered Bangladesh, sign a memorandum of understanding at the former's head office in Dhaka recently for the tobacco company to avail "Supply Chain Finance" for its distributors and suppliers.

## Build right ecosystem to expedite digitalisation

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To make digitalisation fruitful, partnership is very important and time is critical, he added.

"Trust is a serious issue in this industry," Shamsi said, citing the slow spread of digital payment in the country as a consequence of the lack of trust.

Currently, customers are paying cash for 90 percent of their online shopping, he said.

"If we can't turn this cash into cashless, our economy will become laughable within a few years."

Nowadays people do not need to own a car or any physical asset; rather they can take it as a service and this will help create a strong digital society.

"There is no alternative to collaboration," he added.

Digitalisation is the future, and the government institutions need maximum digitalisation as a developing country, said Mahfuz Anam, editor and publisher of The Daily Star.

In the area of governance, the use of digitalisation will increase efficiency manifold and ensure further value for money in a poor country like Bangladesh, he added.

The government's payment system is not digitalised and this is a big bottleneck for the digitalisation process, said Ashish Chakraborty, chief operating officer of Software Shop.

"Regulations need to be changed to match the market, instead of the other way around," he added.

The ecosystem must be developed for digitalisation and the payment system is also a part of it, said Khandaker Ali Kamran Al Zahid, joint

director of the payment systems department of the Bangladesh Bank.

"Regulations also need to be updated to run the digital industry."

In the coming days, existing service providers will get a hit from the newcomers and if the incumbents do not match the new systems they will become obsolete.

The banking regulator is thinking of allowing interoperability within the mobile financial service providers, which will also help the market to become mature, Zahid added.

"Digitalisation of life is a journey, not a destination," said Md Moinul Huq, head of treasury and trade solutions at Citibank Bangladesh.

Augmented reality, virtual reality, and block-chains are being used not for just gaming purposes, he said, adding that the digital industry needs to adopt the tools for making citizens' lives easier.

All the stakeholders need to work together in their capacity through partnership and other models, he added.

Zakaria Swapan, CEO of iPay, the country's first online payment platform, said it has already established a paperless office to ensure cashless transaction.

He requested digitalisation of the KYC (know your customer) process and asked the banking regulator to replace the OTP (one-time password) system for payments with an alternative one.

Bangladesh has no comprehensive digital strategy, said Md Abdullah Al Mamoon, deputy managing director and chief operating officer of United

Commercial Bank.

To ensure proper customer identification the country needs to ensure systems like India's Aadhaar identification card, which will speed up digitalisation, he added.

The country is using digitalisation only for consumption purpose and not for boosting production, said Fahim Mashroor, CEO of AjkerDeal.com.

He said a common payment interface needs to be created to connect all digital service providers.

Abul Kashem Md Shirin, managing director of Dutch-Bangla Bank Ltd, said of the bank's total card transactions 80 percent is used for cash-outs and only 20 percent for payments.

"Cash is a cost for us. So, we are offering huge discounts and cashbacks for digital payments," he added.

Kamal Quadir, CEO of bKash, called for policy consistency and said customers will not adopt digital services if they do not reap additional benefit from them.

"We need to make the service meaningful and valuable to users," he added.

Connectivity needs to be enhanced and the supply chain financing needs to be accelerated, said Asikul Alam Khan, founder and CEO of PriyoShop.com.

Khaled Rahman, senior corporate finance manager at British American Tobacco Bangladesh; Arif Nezami, founder and CEO of Preneur Lab; Hussain M Elius, co-founder and CEO of Pathao; Quazi Zulquarain, country lead of Uber Bangladesh; and Samad Miraly, executive director of Olympic Industries, also spoke.



Manjur Ahmed, managing director of Bangladesh Development Bank Limited (BDBL), presides over the bank's quarterly review meeting at its head office in Dhaka on Saturday.

## SDGs not possible without youth uplift: experts

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Among others, Sudipto Mukerjee, country director of UNDP in Bangladesh; Anisatul Fatema Yousuf, convenor of the Citizen's Platform for SDGs; Hanif Sanket, a popular TV host; and Sabina Khatun, captain of the Bangladesh national women's football team, also spoke.

In another session, discussants underscored the need for science-based education systems as it would ensure the required skilled manpower for industries.

The country does not need more commerce graduates at this moment; it requires science-based graduates and skilled manpower for managerial positions, said Syed Nasim Manzur, managing director of Apex Footwear.

Bangladesh has to pay \$4.5 to \$6 billion per year for hiring foreigners for managerial posts in different industries.

The youths can take over these positions if they groom themselves, he said while moderating a session styled "Bangladesh and Agenda 2030: expectation of youth".

He suggested that the students study in physics, chemistry, mathematics and English to fulfil the demands of skilled manpower. Now, employers do not put much stress on a candidate's academic background; rather, they look at the skills and potential of the job seekers, he added.

Globally, efficiency is given preference over educational pedigree, said Khondaker Golam Moazzem, research director of the Centre for Policy Dialogue.

Students should look to gather skills and knowledge through the internet instead of wasting time on social media.

There is now a need to bring in massive changes to tertiary education to build skilled manpower, he added.

Youths should have the option of employment and entrepreneurship, said Bertha Gity Baroi, director of Caritas Bangladesh.

They should prepare themselves as per their aim in life from the beginning of their university life, she added.

Kaniz Fatema, president of Junior Chamber International, Dhaka North; and Banani Biswas, representative of Avizan, a non government organisation, spoke among others.

## Saudi stocks dive 7pc, wiping out 2018 gains

AFP, Riyadh

The TASI was trading at just above 7,000 points, a 10-month low, having reversed all of the 18-percent gain it had notched up since the start of 2018.

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Mohammed Zidan, market strategist at Thinkmarket in Dubai, said the drop in Saudi stocks was the result of panic selling because of several political and economic factors.

"There has been a kind of uncertainty surrounding the situation of the disappearance of Khashoggi which has caused the market to fall," Zidan told AFP.

Trump threatened Riyadh on Saturday with "severe punishment" if Khashoggi, a contributor for the Washington Post who has been critical of Crown Prince Mohammed bin Salman, was killed inside its Istanbul consulate.

With the mystery over Khashoggi unresolved after he failed to reappear after walking into the consulate on October 2, a pro-government Turkish daily said the Saudi national had recorded his own interrogation inside the mission on an Apple Watch.

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## Good Neighbors gets country director

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Social welfare organisation Good Neighbors Bangladesh recently saw the appointment of a country director.

To come into office from November 1, Mainuddin Mainul Mainul has been with the non-trading, voluntary entity for 16 years, having last served as director of its planning and coordination department.

Mainul has been involved in development programmes, such as child labour prevention and rights implementation and Rohingya initiatives, says a statement yesterday from the organisation promoting educational and social development of underprivileged and socially backward people.

## ECB should keep policy options open regardless of Fed

REUTERS, Nusa Dua, Indonesia

The European Central Bank should keep its policy options open and not let itself be influenced by the Federal Reserve, ECB policymaker Francois Villeroy de Galhau said on Sunday.

Encouraged by a recovery in euro zone inflation, the ECB expects to stop adding to its 2.6 trillion euro (\$3.0 trillion) pile of bonds at the end of this year and has guided the market to expect a rate hike some time in late 2019.

Villeroy said the ECB would soon decide how to reinvest the proceeds of the bonds that expire next year but should not yet commit beyond that point.

"We should keep our options open about the timing of our reinvestment in the following years," he told a conference on the sidelines of the International Monetary Fund's annual meeting in the Indonesian resort town of Nusa Dua.

## Asean's Dhaka committee members visit BIAC, ICCB

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The members are Myanmar Ambassador and Committee Chairman U Lwin Oo, Indonesian Ambassador Rina P Soemarno, Malaysian High Commissioner Nur Ashikin binti Mohd Taib, Philippines Ambassador Vicente Vivencio T Bandillo, Charge d' Affaires of Vietnam Son Bao Tran and Consul of Singapore William Chik. ICC Bangladesh Vice-President Rokia A Rahman was also present.

The Asean Dhaka Committee has been established with an aim to strengthen ties between the bloc and Bangladesh.

## Now '013' too GP

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SIMs will be available at all sales outlets and the product, service and network experience alongside the price will be the same as of 017, said the operator's officials.

Starting its journey in March 1997, Grameenphone had 7.05 crore active connections as of August, according to the regulator.

## Number of accounts drops amid purge

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Active mobile money accounts declined by a third to 2.07 crore in January this year from its peak of 3.07 crore in August last year, according to the central bank data.

The number of such account users started to increase in February this year and reached 3.05 crore in July.

The number of registered MFS accountholders in proportion to the population rose to 38 percent in 2017 which was only 3 percent in 2014, according to a study of the Bangladesh Institute of Bank Management.

This is higher than the South Asian average of 33 percent and the global lower middle-income country's average of 27 percent, according to the recent study titled "Money laundering vulnerabilities in new payment systems: Bangladesh context".

Improper KYC (Know Your Customer) by agents is the main reason for these anonymous transactions, the study found. However, the selection of agents is one of the important challenges in MFS and people are using the channel for cross border transactions like hundi to remit foreign fund which is illegal, according to the study.



Syed Almas Kabir, president of the Bangladesh Association of Software and Information Services (BASIS), poses with Bangladeshis participating at Asia Pacific ICT Alliance Awards in China on Saturday. Six projects of Bangladeshis won awards, one champion and the rest merit.