STOCKS		COMMODITIES		ASIAN MARKETS			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI
0.28%	0.25%	$1,243.50 (per ounce)	$59.81 (per barrel)	0.42%	0.99%	0.36%	1.23%
5,251.01	9,754.34			35,929.64	21,816.19	3,111.08	2,634.05

CURRENCIES (STANDARD CHARTERED BANK)	USD	EUR	GBP	JPY
BUY TK	82.95	93.50	103.97	0.72
SELL TK	83.95	97.30	107.77	0.75

Star BUSINESS

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WB to provide budget support after 10 years

STAR BUSINESS REPORT

The World Bank is set to provide $750 million as budget support for three years after a gap of ten years, which is the largest amount yet for Bangladesh from the Washington-based multilateral lender.

The loan will be given in three instalments of $250 million each to help the government strengthen its capacity to create more, better-paid and quality jobs. The first instalment was approved yesterday by the WB board.

"Bangladesh has made remarkable progress in accelerating growth and reducing poverty, but the rate of job creation has not kept up with economic growth," said Qimiao Fan, WB's country director for Bangladesh, Bhutan and Nepal.

Creating more and better jobs is a prerequisite for the country to achieve its vision of upper-middle income status, he added.

Finance Minister AMA Muhith, in an impromptu press conference at his secretariat office called upon receiving the news of the loan's approval by the WB board, acknowledged that job creation in recent times was not in tandem with economic growth.

The government will take various steps in future for job creation. This is the largest loan for Bangladesh in the WB's history, according to the outgoing finance minister.

"This is an expression of the World Bank's support to the policies undertaken by the government in recent times," said Abdur Rouf Talukder, finance secretary, at the press briefing.

Over the next three years the government will implement more reform programmes, he added.

"Despite Bangladesh's robust economic growth, the pace of job creation has slowed in recent years, and almost stalled in the readymade garments sector," said the WB in a statement.

The growth rate for jobs fell to 1.8 percent in 2010-16 from 2.7 percent in 2003-10. Women, workers in lagging regions, and youth in particular face challenges in accessing quality jobs.

Climate change has exacerbated this jobs challenge, underscoring the need to significantly increase employment in the non-agriculture sector.

The credit aims at supporting Bangladesh develop a stronger policy and institutional framework to address barriers to creating more and better jobs for citizens, including women, youth and the vulnerable population.

"It will help develop market-oriented skills for women, youth and overseas migrants, preparing them for better employment opportunities," said Thomas Farole, WB lead economist and task team leader.

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Tourism booming with economy

SAJJADUR RAHMAN and JAGARAN CHAKMA

Bangladesh's tourism sector has grown with the pace of the country's economic growth in the past decade, as more and more people are having sizeable disposable income.

In the past decade, the economy grew at an average of 6.5 percent; and in the last three years it clocked in more than 7 percent growth.

At the end of last fiscal year, the per capita income stood at $1,751, in contrast to $703 nine years earlier.

Though Bangladesh does not get a big number of foreign tourists, it has millions of domestic tourists who go for vacations often.

According to different tour operators, the number of domestic tourists rose to 70 lakh in 2017 from 60 lakh a year earlier.

And, December is the second busiest month after July for tourism in Bangladesh, as the schools break up for winter vacations then.

"We have no room to rent until December 25," said Iqbal Mohsin, general manager of Hotel Sea Crown, located on the beachfront at Cox's Bazar.

The hotel has 90 rooms and the prices range from Tk 4,000 to Tk 7,500 a room.

Winter is the peak season for tourism in Rangamati's Sajek, which has a strong appeal to tourists for its pristine natural beauty and indigenous population, said Suparna Debbarman, president of Cottage Malik Samity of Sajek, a forum of owners.

"Now a tourist must book in advance for a room in Sajek."

Sajek has 90 resorts and cottages that can accommodate only 2,000 persons daily.

The middle- and higher middle-class now love to spend money for recreation and leisure purposes, said Santus Kumar Deb, assistance professor of the department of tourism and hospitality management of the University of Dhaka.

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IPTV, video on demand available again

MUHAMMAD ZAHIDUL ISLAM

Bangladesh Telecommunication Regulatory Commission (BTRC) has withdrawn a bar on internet protocol television (IPTV) and video on demand services two years past suspending the streaming services which have an earnest demand in the market.

On October 2016 the telecom regulator barred the services which gained popularity as a mode of entertainment, mostly in urban areas.

The BTRC withdrew the bar through a letter to all the internet service providers and international internet gateways yesterday, said MA Hakim, president of the Internet Service Providers Association of Bangladesh.

Internet service providers welcomed the government move and expected the services to change the ecosystem entertainment enjoyed though television and the internet.

Usage of data will also get a boost through this move, industry leaders said.

The IPTV is a system where television services are delivered using the internet protocol suite over a packet-switched network such as local area network or the internet, instead of being delivered through traditional terrestrial, satellite signal and cable television formats.

Video on demand allows users to select and watch/listen to video or audio content when they choose to, rather than having to watch at a specific broadcast time.

The IPTV technology is often used to bring video on demand to television and personal computers.

Video streaming service is an on-demand online entertainment source for TV shows, movies and other streaming media. These services provide an alternative to cable and satellite on-demand service, often at a lower cost.

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Trade deficit narrows in Jul-Oct

AKM ZAMIR UDDIN

Trade deficit narrowed slightly in the first four months in the current fiscal year on the back of rising export earnings against moderate import payments.

The country's trade gap fell 8 percent year-on-year to $5.32 billion between July and October, according to data from the central bank.

Experts welcomed the downward trend of the major component of the balance of payments as it would give respite to the local currency from the ongoing exchange rate pressure.

The reduced trade deficit will help the foreign exchange reserve stabilise from its current sliding trend, they said.

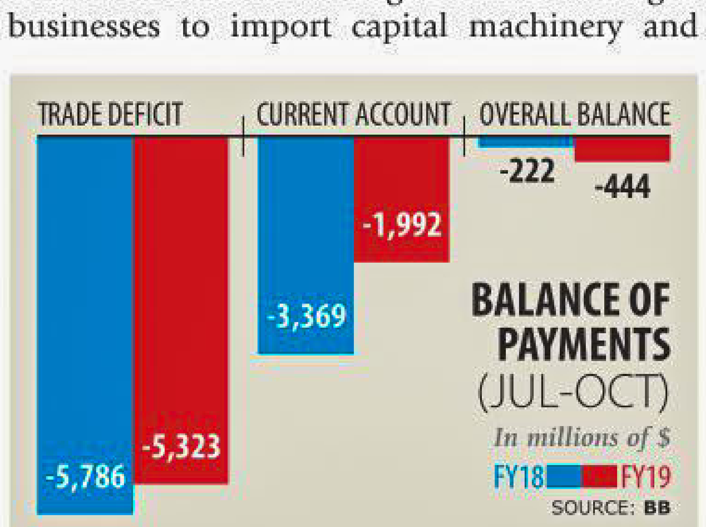
The experts, however, said the narrowing of the trade deficit might not be sustainable in the months to come because of several challenges prevailing in the financial sector.

Export earnings stood at $13.40 billion in July-October, up 18 percent from a year earlier. Imports rose 9.28 percent to $18.73 billion.

The export growth between October and November picked up remarkably, squeezing the trade deficit, said Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh.

"This is a positive turnaround. If the trend continues, the foreign exchange reserve will get a great relief from the ongoing pressure, mainly stemming from the high import payment," he said.

He, however, said the national election scheduled for December 30 might have discouraged businesses to import capital machinery and other major goods.



"Businesses think that an unstable situation may be created centring the polls which will be harmful for their enterprises," said Mansur, also a former economist of International Monetary Fund.

The ongoing labour unrest in the garment sector will hurt the export earnings from the sector, he said, adding that the authorities should address the issue properly.

AB Mirza Azizul Islam, a former finance adviser to a caretaker government, said although the deficit in the current account declined significantly, it was still beyond the expected limit.

The current account deficit should be contained further to cool down the foreign exchange rate pressure on the taka, he said.

Between July and October, the current account deficit stood at nearly $2 billion in contrast to $3.36 billion during the same period a year ago.

Yesterday, the interbank exchange rate was Tk 83.90 per US dollar, up from Tk 82.60 a year ago, according to the central bank.

60 apparel units remain shut amid workers' protest

REFAYET ULLAH MIRDHA and AKLAKUR RAHMAN AKASH

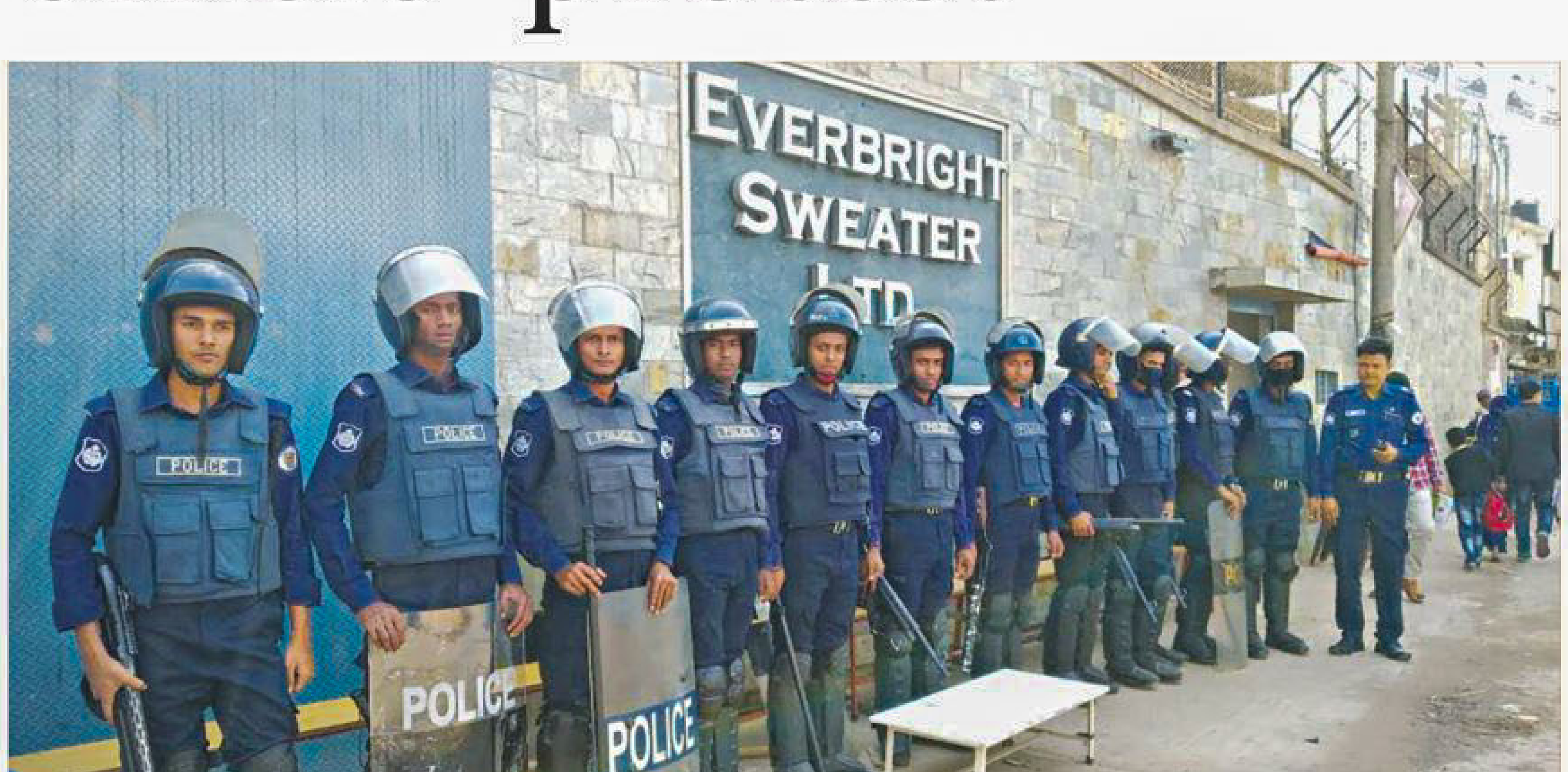
Production at more than 60 garment factories remained suspended for the fourth consecutive day yesterday as owners kept those shuttered fearing unrest amid protests of workers, who apprehend discrimination in the new wage structure.

Workers of 42 factories mainly located in Savar and Ashulia did not return to their workplaces yesterday as they were demonstrating against the assumed discrimination, said Sana Saminur Rahman, superintendent of industrial police in Ashulia area.

Another 20 factories in Gazipur have kept their operations suspended, according to Siddiqur Rahman, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

Seven factories were vandalised by a group of workers during the demonstration, Saminur said. The workers have been abstaining from work and staging protests because of a rumour of discrimination in the wage hike, he said.

Workers say the salary of the seventh grade increased to Tk 8,000 from Tk 5,300 a month. But, the salary of the workers in other grades did not go up at the same rate.



AKLAKUR RAHMAN AKASH

Policemen stand guard in front of a garment factory in Ashulia on the outskirts of Dhaka yesterday.

The salary hike for entry level workers was more than their senior operators, who have been working for more than seven to eight years. The new wage became effective on December 1.

Hasanul Alam, an operator at a factory in Ashulia, said he had been working at the factory for the last few years. The management of the factory told him that his salary might be increased to Tk 9,500 a month from Tk 9,000 now.

This means, Alam's salary would go up by Tk 500 only, whereas an entry level worker's salary will go up by Tk 2,700 at one go.

His frustration was echoed by many workers in the industrial belt.

"The salary of garment workers will not increase at the same rate in all grades. This is a standard formula in case of salary hike," said Shamsun Nahar Bhuiyan, workers' representative at a minimum wage board that recommended the new wage structure.

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ISN again comes under scanner of Dhaka bourse

STAR BUSINESS REPORT

The premier bourse plans to include Information Services Network (ISN) again to the list of firms whose performance will be reviewed because of their failure to announce any dividend in the last five years.

Earlier in August this year, the Dhaka Stock Exchange (DSE) decided to review the performance of 15 companies, including ISN.

On October 29, ISN had declared 5 percent dividend, leading the bourse to exempt the information technology entity from the review.

However, ISN cancelled the dividend in an annual general meeting on December 9 after finding that the dividend was declared without following regulatory rules.

In the meeting, the company informed its shareholders that there was a mistake in declaring the dividend and it was not intentional, said a participant of the AGM.

The company made some profit in the last financial year. Its earnings per share were Tk 0.48 on June 30, up from Tk 0.52 in the negative a year ago.

But the balance of ISN's retained earnings account was still in the negative, which barred the company to declare any dividend as per the rules of the Bangladesh Securities and Exchange Commission.

"So, ISN had to cancel the dividend, opening the scope for us to include it in the review list again," said a top official of the DSE, requesting anonymity.

The official said they traced the companies abiding by the listing regulations, which say the stock exchange can delist any company if it fails to provide dividend for five consecutive years.

When asked why ISN was included in the review list despite making profits, the official said: "Only dividend declaration in the last five years was taken into consideration. It didn't matter whether it made profit or not in the previous years."

"Now we will examine whether the profit shown in the last financial year is sustainable. If it has the potential to continue making profits and providing dividends, we will let it to do the trade again."

Market insiders said investors incurred huge losses when ISN declared and later cancelled dividend.

ISN's stock rose 126.35 percent to Tk 43 on November 5 this year from Tk 19 on September 17. But it fell 34.88 percent to Tk 28.4 yesterday.

This correspondent tried to reach ISN officials over phone and email using the details given on the DSE website, but both were found to be invalid.