Pran begins processing year's mango stock

Star Business Desk

Pran has recently started collecting and pulping mangoes for this year to manufacture drinks and other food items.

The agro-processor aims procuring 60,000 tonnes of mango for processing at its plants in Natore and Barind (Varendra) Industrial Park in Rajshahi, says a statement yesterday.

The mangoes are being collected from farmers of Rajshahi, Natore, Chapainawabganj, Naogaon, Dinajpur, Meherpur and Satkhira, said Kamruzzaman Kamal, marketing director of Pran-RFL Group.

Sarowar Hossain, deputy general manager of Barind Industrial Park, "In the first phase, we have been purchasing guti mango from May 28 and it will continue till the first week of July."

"After this, we will collect Ashwani varieties. Our Natore factory is also collecting mangoes from different parts of the country," he said.

Pulp is being produced in the plant using aseptic technology. The advantage of this technology is that it helps to preserve the pulp for two years while retaining its taste and freshness, all without freezing it, he added.

"In our plant all related steps including washing and peeling, waste management and pulp packaging are nearly automated," said Hossain.

"This factory is completely environment-friendly as we produce organic fertilisers and energy from the waste. The plant has a capacity to crush 400 tonnes of mango every day," he said.

Kamal said, "We set up the factory installing latest technology so that customers can drink fresh mango juice."

"For this reason, we have set up the factory in an area famous for mango production. Apart from this, we hope, customers will get more standard food items as we have modernised the factory," he added.

PRAN

Workers arrange mangoes on conveyor belts at a processing plant of Pran at Barind (Varendra) Industrial Park in Rajshahi.

EU states adopt 'panda bonds' in Chinese outreach

AFP, Paris

EU members Hungary, Poland, Portugal and soon Austria are strengthening ties with China by issuing attractive "panda bonds" that help Beijing raise its profile on international financial markets.

Italy might join the trend as well, despite EU concerns that China may be seeking a way to increase its influence on the continent. On May 30, Portugal became the first eurozone nation to issue renminbi-denominated bonds, raising two billion renminbi (around 250 million euros, $280 million) via a three-year instrument at a rate of 4.09 per cent.

The offer attracted strong demand, and Portugal's junior finance minister Ricardo Mourinho Felix told the financial news website ECO that Lisbon's goal was "to enter a large market with strong liquidity."

Poland and Hungary have already issued bonds on the Chinese market, in 2016 and 2017-2018 respectively, and Austria and Italy -- eurozone members like Portugal -- have said they might do so as well.

The cost of borrowing on Chinese markets is much higher than in Europe however, so the reasons for such a move likely lie elsewhere.

Portugal, which faced problems with financing when it was bailed out by the EU and IMF in 2011-14, now can offer less than 1.0 percent to borrow money for 10 years on European markets.

But by helping China become a bigger actor on the global financial stage, governments can get into Beijing's good books, and attract investment in sectors like financial services, infrastructure and transportation.

The Portuguese port of Sines is interested in attracting Chinese investment as part of Beijing's global "Belt and Road" network, for example.

"There are also key political or reputational concerns," notes Liang Si, an Asian debt market expert at French bank BNP Paribas.

"Any kind of sovereign issuer issuing in panda bonds could be seen as a positive political gesture to further establish their ties with China, now the second biggest economy in the world."

The bonds have existed since 2005 but they took off four years ago when the Chinese central bank decided to encourage their use as Beijing launched the "Silk Road" initiative aimed at furthering China's economic and technical influence.

"Little by little, China is trying to open its market to investors and transform its money into a reserve currency," said Frederic Rollin, an investment strategy advisor at Pictet AM.

At $48 billion, the total amount of "panda bonds" issued to date palls in comparison with the overall value of China's debt market, which is around $13 trillion.

"There are few foreign issuers in the yuan market," because it is "not particularly attractive," acknowledged Frederic Gabizon from HSBC, using another name for the renmimbi currency.

His London-based bank was one of those underwriting the Portuguese issue.

Typical operations have remained small, at between $145 million and $434 million for short-term issues.

That said, "China's importance from an economic point of view is well established, and many countries therefore wish to help it develop its financial markets," Gabizon explained.

Need to preserve Renault-Nissan alliance: French finance minister

Reuters, Fukuoka, Japan

French Finance Minister Bruno Le Maire on Sunday said it was necessary to preserve the alliance between Renault SA and Japan's Nissan Motor Co Ltd, which he said has benefited the French automaker with synergies and technology.

Speaking at a gathering of G20 finance ministers in the southern Japanese city of Fukuoka, Le Maire also said it was not his role to meet with Nissan Chief Executive Hiroto Saikawa, and that the role of the state is as shareholder.

The French state owns 15 percent of Renault, which in turn owns 43 percent of Nissan. Le Maire was speaking days after Italy's Fiat Chrysler Automobiles NV called off a proposed merger with Renault citing the interference of the French government.

Stocks gain after Eid on budget optimism

FROM PAGE B1

Of the traded issues, 171 gained, 125 declined and 49 remained unchanged.

According to IDLC Securities, top three positive contributors to the index was British American Tobacco Bangladesh, Beximco Pharmaceuticals and United Power Generation.

Chattogram stocks also gained yesterday with the bourse's benchmark index, CSCX, increasing 88.10 points or 0.88 percent to stand at 10,004.02.

Gainers beat losers as 125 scrips advanced and 65 declined while 41 closed unchanged on the port city stock exchange.

Britain's smaller banks wallow in giants' shadow

AFP, London

Computer meltdowns. Unexplained holes in accounting. Personnel management scandals.

For smaller banks that want to compete with historic giants of global fame, UK finance has proven to be a minefield.

When visiting their local branch or going online, Britons have struggled to break their habit of relying on a big bank with an established name.

Britain's Big Five -- Barclays, HSBC, Lloyds, Royal Bank of Scotland and Santander UK -- hold a commanding 63-percent share of the retail banking market, according to the Centre for Economics and Business Research.

This dominance remains despite years of hardship that followed the 2008 financial crisis, which saw interest rates fall to historic lows and consumers finding little point in keeping money parked in savings accounts.

"The last 20 years have seen significant consolidation in the UK retail banking market," Stephen Jones, chief executive of the UK Finance banking trade association, wrote in a report.

"The structure of UK retail and commercial banking is relatively concentrated, with a notable absence of mid-tier competitors of scale."

Paradoxically, this market grip was cemented by the very same crisis that tarnished the big banks' reputations a decade ago.

The Big Five, along with mortgage-specialist Nationwide, together have about £1.8 trillion ($2.3 trillion, 2.0-trillion-euros) in retail banking assets.

Their competitors have a combined total of £360 billion.

While relatively small, the field of also-rans is crowded with names such as Metro Bank, TSB (a subsidiary of Spain's Banco Sabadell) and CYBG, which has just merged with Richard Branson's Virgin Money.

They each have millions of clients and are joined by "fintechs" such as Revolut and Monzo -- two digital banks with big ambitions that want to expand beyond their young, city-dwelling consumer base.

The upstarts have little in common beyond a shared experience of suffering scandals that make newspaper headlines.

The most recent involved Metro Bank, which has been losing its lustre after a bright launch in 2010 by the US banker Vernon Hill, perhaps best known for calling his clients "fans".

Hill has been busy trying to reassure his 1.7 million fans that Metro Bank is still standing, after raising funds, seeing a drop in profits, and coming under the scrutiny of regulators for classifying unsavoury real estate loans as "low risk".

Metro Bank's troubles came a few months after TSB suffered a comprehensive computer failure caused by a software update, which saw millions of clients lose access to the bank's site and app.

The breakdown forced TSB to part ways with its general manager and cost nearly $300 million -- a hefty sum for a bank that broke away from the Lloyds Banking Group to try its own luck in 2013.

Britain's digital banking sector has not been spared either, as it rides the wave of changing consumer habits.

Perhaps none experienced more damage than Revolut, which had to take a stern look at its personnel management after a whistleblower accused it of forcing job applicants to work for free.

Revolut's Russian-born boss and founder Nikolay Storonsky now wants to evolve to a more consumer-friendly business model.

Beyond these individual problems, which companies in other fields know just as well, smaller banks have to overcome more regulator hurdles, which carry an especially high cost.

AFP

Metro Bank is one of several upstart British banks that have suffered scandals recently as they battle against the Big Five.

Gold import cost to drop under baggage rules

FROM PAGE B1

The special tax benefit has been awarded to give traders and jewellers the opening to legalise their holdings of gold and other precious metals.

To encourage jewellers to disclose their stock of gold and other metals, the NBR will also hold a three-day gold fair in all divisional cities beginning from June 23.

In Dhaka, the show is expected to take place at the InterContinental Hotel, said NBR member for tax policy, Kanon Kumar Roy.

Gold traders and jewellers will be encouraged to disclose their stock at the fair. Undisclosed gold of jewellers and traders would be illegal after the deadline of June 30, he added.

"Any possession of gold and other metals in excess of the declared amount would be illegal. We will impose penalty in addition to collecting the maximum amount of tax from the gold traders and jewellers," he added.

Gold traders and jewellers will face the fate of Apan Jewellers unless they avail the opportunity to legalise their 'black' gold, said Dilip Kumar Agarwala, general secretary of the Bangladesh Jewellers Samity.

He expects the government to collect a handsome amount of tax from the sector as a result of the window.

The government's move to facilitate import of gold through the formal channel and reduce duty under baggage rules would be helpful for the sector, he added.

WiMax on its last legs

FROM PAGE B1

Having handed over its individual customers to market leader Banglalion, it had only a few thousand corporate customers.

But its investors cannot wind down the company or bring in fresh investment due to complications in the venture's shareholding structure.

A senior official of the operator requesting anonymity said they have active licence and offices but cannot operate due to huge costs every month.

Gloom looms over Dhaka for lack of foresight

FROM PAGE B1

"If the deal goes through, Bangladesh will be pushed to become solely a garment stitching nation as the local yarn and fabrics manufacturers will lose their competitiveness," Chowdhury told The Daily Star last week.

"Our current trade privilege would face further challenges if the RCEP is implemented," Ahsan H Mansur, executive director of Policy Research Institute, said over the phone.

"We have to compete in the open world. We need to enter the RCEP even if it means reforming some of our old trading policies as it is a broad organisation. We may have the chance to enter the club by fulfilling some conditions," he said.

"It is a club. Any club has some conditions for membership. We are a highly protectionist country in terms of ease of doing business. Any club notices whether prospective members can fulfill conditions for inclusion," said the researcher.

In contrast, Bangladesh's policymakers appear to be still in the process of grasping the idea for such a move.

"We have not taken any measures yet to be a member of the RCEP," said Md Shafiqul Islam, additional secretary (free trade agreement) to the commerce ministry.

"We may launch a study soon to assess the impacts of the RCEP on Bangladesh's global and domestic trade. If it is possible, Bangladesh may join the RCEP in the future," he said.

In 2017, prospective RCEP member states accounted for a population of 3.4 billion people or 45 percent of the world's population and about 40 percent of world trade.

The total gross domestic product (GDP) amounted to $49.5 trillion, more than half of it made up of that of China and India, surpassing the combined GDP of Trans-Pacific Partnership (TPP) members in 2007.

On January 23, 2017, United States President Donald Trump signed a memorandum that stated withdrawal of the country from the TPP, a move which is seen to improve the chances of success for the RCEP.

According to estimates by the PwC, the GDP of the RCEP member states is likely to amount to nearly $250 trillion by 2050.

ROBI

Syed Mostahidal Hoq, managing director of Daraz Bangladesh, and Md Adil Hossain Noble, chief enterprise business officer of Robi, exchange documents after signing a deal at the former's head office in Dhaka recently for the online shopping platform to avail Robi's services.

Safety net to spread out

FROM PAGE B1

The government plans to raise the number of beneficiaries to 17 lakh as the number of such women now account for 10 percent of the total women in the country, according to the Bangladesh Bureau of Statistics.

The number of beneficiaries under the maternity allowance programme for the poor would go up from 7 lakh to 7.70 lakh but the amount of allowance will not increase.

The government also has plans to increase the amount of stipend allowance at the primary, secondary and college levels.

The monthly stipend allowance at the primary school will be increased to Tk 750 from the existing Tk 700. At the secondary level the amount will be increased to Tk 800 from Tk 750 and at the higher secondary level Tk 950 from Tk 900.

At the higher education level, the amount would be Tk 1,250 from Tk 1,200.

The monthly allowance for freedom fighters will be increased to Tk 12,000 from the current amount of Tk 10,000.