

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES				
DXSE	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	JPY	
0.41%	0.19%	\$1,505.40	\$61.54	0.92%	0.54%	0.08%	0.46%	83.50	91.07	101.64	0.76	
5,033.80	9,284.15	(per ounce)	(per barrel)	36,981.77	21,199.57	3,144.48	2,999.60	BUY TK	84.50	94.87	105.44	0.80
								SELL TK				
								84.50 94.87 105.44 0.80				



BUSINESS

এসআইবিএল সুপার ডিপিএস বিশেষ সঞ্চয় কিম

প্রাক্কলিত মুদাফা:

৩ বছর	৫ বছর	১০ বছর
৯.২৫%	৯.৫০%	১০%

স্বদেশী শহীদা'র এর মুদাফা নিতির বিধিতে পরিচালিত।

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DHAKA MONDAY SEPTEMBER 9, 2019, BHADRA 25, 1426 BS ● starbusiness@thedailystar.net

Exports tumble

Exports receipts last month came crashing down after logging in a record in July on the back of lower shipments of garment items.

In August, exports raked \$2.84 billion, down from \$3.89 billion in July, according to the Export Promotion Bureau.

The inflows last month are 11.53 percent lower than a year earlier and missed the target for August by 26.42 percent.

Garment, which typically accounts for more than 80 percent of export earnings, brought home \$2.41 billion, down 11.72 percent year-on-year.

The tumble in export earnings in August means the country is already lagging behind in its chase to hit \$45.50 billion in receipts this fiscal year.

August's earnings take the receipts in the first two months of fiscal 2019-20 to \$6.73 billion -- \$952.83 million lower than the target for the period.

Exporters blamed slide in shipments of apparel items on the production disruption brought about by the two Eid festivals.

Most of the factories remained closed for at least seven days for each Eid and another seven days of full production capacity could not be utilised as all workers did not return to factories on time, said Asif Ibrahim, director of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

Ibrahim, who is also the vice-chairman of Newage Group, a leading garment exporter, however, is hopeful that order quantities will pick up, particularly in the knit sector and for a knock-on effect of the US-China trade war.

Bangladesh has started enjoying the benefits from the ongoing US-China trade war as the American retailers are diverting bigger volumes of work orders from China, exporters said.

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BRI to enhance trade, beef up infrastructure

Analysts see opportunities, but warn of debt trap and environmental damage



CPD Chairman Rehman Sobhan speaks at an international conference on the Belt and Road Initiative at the Gardenia Grand Hall in Dhaka yesterday.

The Belt and Road Initiative (BRI) by China provides opportunity for Bangladesh to improve its infrastructure, increase investment, trade and enhance connectivity with countries in South Asia, but it also raises concerns of debt trap and environmental damage, said experts yesterday.

To reap benefits from the BRI, Bangladesh should engage in conversations with China to negotiate terms of loans and other issues,

fix priority in selection of projects, ensure transparency and accountability as well as focus on ensuring governance related to the BRI schemes, they said.

They were addressing an international conference on the BRI and interests of Bangladesh organised by the Centre for Policy Dialogue (CPD) at Gardenia Grand Hall in Dhaka, which was attended by current and former diplomats, economists and experts from China, India and Nepal.

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Govt to amend law for single person company

STAR BUSINESS REPORT

The government has decided to amend the Companies Act 1994 allowing a single person to float a company and include a new section titled "One Person Company" in the amended law.

According to the definition of the amended law, "One Person Company" will mean such a private company where a single person having a natural entity will be the shareholder, the law ministry said in a statement.

On November 26 last year, the cabinet approved in principle a draft Company (Amendment) Act 2018 where a provision was included giving a go-ahead to the concept.

The law minister yesterday said the company law will be amended to attract new domestic and foreign investments, boost ease of doing business and protect the interests of general creditors of companies and their minority stakeholders by creating an investment-friendly environment.

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Joint meeting next month to speed up China-funded projects

REJAUL KARIM BYRON

The first meeting of the Bangladesh-China joint working group is set to be held in Dhaka next month to come up with ways to expedite the implementation of 27 projects that China had agreed to fund in October 2016.

The move to form the committee was taken during Prime Minister Sheikh Hasina's visit to China in July this year with a view to identifying the reasons for the delays in China-funded projects and eliminating them.

China has so far disbursed only \$981.36 million, which is less than 5 percent of the \$20 billion promised during Chinese President Xi Jinping's visit to Dhaka.

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Assess costs, benefits of natural resources

Economist Selim Jahan says

STAR BUSINESS REPORT

Bangladesh should assess real socioeconomic costs and benefits of natural resources and economic endowments to attain sustainable development, said economist Selim Jahan yesterday.

He was delivering a lecture on sustainable development at an event organised by the Forum of Environment Journalists of Bangladesh (FEJB) to mark its 36 years of founding at the National Press Club in Dhaka.

Jahan, who just retired as director of the United Nations Development Programme's Human Development Report Office, called for balancing inter and intra-generational equity, maintaining political, economic, environmental, social and cultural integrity to achieve sustainable development.

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ADB to gauge potential of northeast economic corridor

STAR BUSINESS REPORT

Asian Development Bank (ADB) is conducting a study on the potential of establishing an economic corridor in the northeastern region of Bangladesh linking India, Bhutan and Nepal.

Economic corridors are integrated networks of infrastructure within a geographical area designed to stimulate economic development.

"The economic corridor will not only improve transport gateways and connectivity within Bangladesh...," said Soon Chan Hong, senior economist (South Asia department) at the ADB Dhaka office, yesterday.

"...but also has the potential to enhance the country's role as land bridge between South Asia via India and Southeast Asia via Myanmar," he said.

Hong shared this through a presentation at a consultation workshop on the corridor jointly organised by ADB and Bangladesh Investment Development Authority (Bida) at Pan Pacific Sonargaon Dhaka.

According to the findings of the ADB, the main route for transportation, having extensions to key gateways such as the Mongla, Payra and Benapole ports, would form a grid network.

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Local govts can finance only 14pc of their spend

Analysts say at Sanem event



Analysts attend a session of the 4th South Asia Economic Network Conference at Brac Centre Inn in Dhaka yesterday.

Local government institutions generate only 14 percent of their expenditures and rely on the central government for the rest, Ahsan H Mansur, executive director of the Policy Research Institute, said yesterday.

"Neither do they have the ability to generate resources nor does the central government assist them, which tells us a lot about how we are treating our local government institutions," he said.

"Our government is only concerned about itself. They do not take into account the constitutional mandate for strengthening the local government institutions too," he said.

He spoke while delivering a presentation at the fourth South Asia Economic Network Conference at Brac Centre Inn in the

capital yesterday.

Local government institutions should be given the authority to collect and spend money in a transparent manner so that they can deliver better government services to the people, analysts said at the closing day of the two-day event.

The South Asia Network on Economic Modelling (Sanem), South Asia Economic Policy Network and World Bank jointly organised the programme on "Subnational finance and local service delivery".

Selim Raihan, executive director of Sanem and a professor of economics at the University of Dhaka, said the local government institutions were run on deals, not rules, meaning those who have good deals with the higher authority get funds.

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Merger can cure banking woes: analysts

STAR BUSINESS REPORT

The government should take initiatives to revise the merger and acquisition related rules and regulations with a view to giving a boost to the financial sector, analysts said yesterday.

A time-befitting policy will also help the country's banking sector now plagued by a liquidity crisis and weak corporate governance, they said at the inaugural session of a two-day workshop styled 'Merger and Acquisition - A Possibility in Bangladesh'.

Prime Bank Investment Ltd (PBIL), a subsidiary of Prime Bank, organised the event at the Radisson Blu hotel in

the capital.

The recent liquidation of People's Leasing and Financial Services, a non-bank financial institution, was a cautionary signal for the financial sector, said Shibli Rubayat Ul Islam, dean of the Faculty of Business Studies at Dhaka University.

"Merger and acquisition can be one of the important strategic tools for revitalising the financial sector and expanding business in the context of Bangladesh."

The stage is now set to welcome the merger and acquisition advisors to come forward and begin the process.

"Reportedly, there are several

other NBFIs in vulnerable positions," he said, adding that mergers and acquisition can play an important role in overcoming this alarming situation.

The concept of mergers and acquisitions is relatively new in the Bangladeshi context but such deals have been common in other parts of the world for a long time.

Bangladesh can be said to be lagging behind in this area.

"We have seen a lot of interest from foreign investors in merger and acquisition as well as joint venture deals in the telecom, energy, food sectors and so on. There is so much potential."

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