STOCKS	
DSEX	CSCX
Closed	Closed

COMMODITIES As of Friday	
Gold ▼	Oil ▲
$1,686.50 (per ounce)	$28.08 (per barrel)

ASIAN MARKETS Friday Closings			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▲ 3.22%	▲ 3.15%	▲ 0.09%	▲ 0.66%
31,588.72	19,897.26	2,614.60	2,838.49

CURRENCIES STANDARD CHARTERED BANK	USD	EUR	GBP	CNY
BUY TK	83.95	90.29	104.15	11.73
SELL TK	84.95	94.09	107.95	12.33

Star BUSINESS

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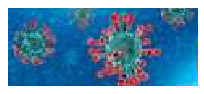


TAMING CORONAVIRUS RAMPAGE

Kamal marshalling development partners to help with COVID-19 wreckage

REJAUL KARIM BYRON *and* MD FAZLUR RAHMAN

Bangladesh has turned to multilateral lenders in earnest to pull the country out of the wreckage of COVID-19, which has left the country's tremendous growth momentum of recent years coming crashing down.

Finance Minister AHM Mustafa Kamal is leading the country's efforts to mobilise the funds. He got down to work in the first week of April, writing to all the multilateral development and bilateral partners seeking whatever support they can extend.

On Thursday, he held a meeting with Hartwig Schafer, vice president for South Asia of the World Bank, over video-conferencing, on the sidelines of the virtual World Bank-International Monetary Fund (IMF) Spring Meetings. The three-day meeting ended on Saturday.

Kamal sought budget support from the Washington-based multilateral lender.

The WB has already allocated $100 million to Bangladesh for health services and is set to provide another $250 million by June this year.

The government had been in talks to get the $250 million by September. Now, it has requested to make the funds available by June.

Bangladesh has also requested the WB to give its consent to three projects involving a total of $1.07 billion.

The WB has asked Bangladesh to send the list of the projects by the first week of May following approval from the Executive Committee of the National Economic Council (Ecnec) if they are to be placed in the board meeting of the lender in June.

As the Ecnec meeting is not taking place owing to the lockdown, the finance ministry would take the approval from the prime minister about the projects and send them to the WB.

The government has sought $500 million from the WB's global fund dedicated to fighting the impact of coronavirus.

"We have sought $1 billion in additional budget support from the WB for the next fiscal year as we will need money to help the economy recover," Kamal told The Daily Star yesterday.

The government will focus on implementing the annual development programme to create jobs as well as implement the stimulus packages, he said.

Among the development partners, the Asian Development Bank will release $600 million immediately. Kamal negotiated for $100 million a few days ago and for $500 million yesterday.

The finance minister is due to hold a video-conferencing with ADB President Masatsugu Asakawa today.

The government would look for avenues for whatever support it can get from the $6.5 billion coronavirus fund of the ADB.

The IMF has made available about $50 billion through its rapid-disbursing emergency financing facilities for low-income and emerging market countries that could potentially seek support. Of the IMF fund, $10 billion is available at zero interest for the poorest members.

Bangladesh has sought $700 million in the first tranche against the country's quota.

The IMF and the finance minister would hold the negotiation this week and the proposal may be placed at the board in May, said a finance ministry official.

The crisis lender has assured Bangladesh of another $700 million in the next fiscal year.

Kamal is seeking $500 million each from the Islamic Development Bank and the Asian Infrastructure Development Bank and would hold talks with the presidents of the development partners over video-conferencing between April 25 and April 30.

Bangladesh is not only looking for monetary support from the development partners. For example, it is seeking any kinds of supports, including those for the health sector, from the bilateral partners, which have also been affected by the COVID-19.

Bangladesh has turned to the development partners as the country has been hit hard by the coronavirus impacts.

The virus has forced the government to go on lockdown since March 26, shutting factories and industries, suspending transport movement and enforcing social distancing.

Owing to coronavirus, the GDP growth would be 2 per cent growth this year, the lowest since 1988, according to the IMF.

Govt's request for funds from multilateral lender

THE WORLD BANK	INTERNATIONAL MONETARY FUND	ADB	IsDB	AIIB
Budget support: $1.75b Projects loan: $1b	Budget support: $700m	Health services: $100m Budget support: $500m	Budget support: $500m	Budget support: $500m

Nagad to fall in line finally

MUHAMMAD ZAHIDUL ISLAM *and* AKM ZAMIR UDDIN

Nagad, a mobile financial service provider of the Bangladesh Post Office and a private entity, has received an interim licence from the Bangladesh Bank, as part of its push towards digital money amid the pandemic.

The central bank would carry out inspections on the operator before awarding the final licence, a senior official of the BB's payment systems department told The Daily Star on Sunday.

The development comes after the fledgling MFS provider applied to the central bank in March for a full-fledged licence, prompted by a BB move that left it hamstrung.

On March 5, the BB asked banks to stop the operation of trust-cum-settlement accounts maintained by organisations that are giving MFS and digital wallet services without its approval.

Subsequently, several banks suspended such accounts of Nagad, making it difficult for the company to run its operations.

Before the temporary licencing was given, Nagad was the only MFS operator that was not running as per BB rules.

It even didn't follow the "one national identification card per account" rule, allowing it to attract a huge number of customers, industry people say.

As part of its bid to get the full-fledged licence from the BB, Nagad will now have to cut the additional transaction limit it enjoys compared with other MFS operators.

Currently, a user of Nagad can transact Tk 2.5 lakh per day under the Postal Act, whereas it is only Tk 30,000 for the other MFS providers.

Tanvir Ahmed Mishuk, managing director of Nagad, welcomed the BB move, saying the operator's existing offers would continue as the central bank hasn't imposed any restriction on them.

"When the Bangladesh Bank finalises the guideline and if any restriction is imposed, we will comply with that," he told The Daily Star yesterday.

The interim licence did not mention any conditions, said SS Bhadra, director-general of the postal department.

"If we are asked to cut the transaction ceiling, we will do that," he added.

However, a senior BB official contradicted both Mishuk and Bhadra, saying Nagad has to follow the rules and regulations applicable for other MFS providers.

"If the operator doesn't follow the rules, it would face the music," he added.

Earlier, a good number of MFS providers requested the central bank to figure out the problem, as separate transaction limits were unfair for those who operate as per BB rules.

The BB also raised questions at various platforms, including the finance ministry about Nagad's service delivery process, while the Anti-Corruption Commission pointed out that the company's accounts are used for illegal transactions because of the higher limit and lax compliance.

The issues were discussed at several meetings of the central bank, the ACC and the finance ministry.

However, Mishuk said the operator is closely working with the Bangladesh Financial Intelligence Unit (BFIU) of the BB and the BFIU hasn't received any complaints against Nagad.

The BB will have to take approval from its board before granting the full-fledged licence to Nagad as only bank-led model for MFS is now followed in Bangladesh.

Nagad is a joint venture between the Bangladesh Post Office and Third Wave Technologies. The postal department owns a 51 per cent stake.

It rolled out commercial service on March 26 last year although the operator has been in operation since September 2018.

Riding on the huge transaction limit benefit, Nagad made a good start and has so far added 1.84 crore active accounts.

A few hundred crores of taka change hands every day through the digital platform but it is not reflected in the central bank's statistics.

Exporters are a bundle of nerves now

REFAYET ULLAH MIRDHA

Bangladesh's export earnings await a massive blow in the coming months as the global coronavirus pandemic has wreaked havoc on orders and shipment while sending factories to a near standstill, exporters and experts said.

Earnings already took a hit in March, plunging 18.29 per cent year-on-year to $2.73 billion, because of a drop in shipments of major commodities like garment, leather and leather goods and frozen foods, according to the Export Promotion Bureau.

"The impact of the pandemic was not reflected on the export figures of March as those were based on the shipments made earlier," said Ahsan H Mansur, executive director of Policy Research Institute.

The coronavirus outbreak started affecting production from the beginning of April when most of the industrial units in Bangladesh were shut down.

Mansur's observation was aligned with the outcome between April 1 and April 15, when apparel exports nosedived 83.74 per cent to $194 million from a year earlier, according to data from Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

Shipment of garment, which accounts for about 84 per cent of Bangladesh's total exports, declined 26.70 per cent year-on-year to $1.97 billion in March.

The pandemic started affecting apparel export as most retailers kept their shutters down in the US and Europe, and cancelled work orders worth more than $3.11 billion so far. The worst-affected countries such as Italy, the UK, the US, France, Spain and Germany are the prime destinations of Bangladeshi garment items.

The US imports apparel items worth $6 billion a year from Bangladesh, while Germany also sources almost the same amount. The country exports about $3 billion worth of garment items to Italy and the UK each, and $2.5 billion to Spain and France each.

Under the present circumstances, Mansur said Bangladesh should keep exporting its products, if necessary, on a limited scale, as there is a demand for Bangladeshi products in the international markets.

Bangladesh can resume production at its factories after April 25 by taking appropriate safety measures as many countries like Spain and China have opened their factories and markets, he added.

Saiful Islam, president of the Leathergoods and Footwear Manufacturers & Exporters Association of Bangladesh, said international buyers have cancelled work orders worth $316 million so far.

Shipment of leather and leather goods, the second biggest export industry after garments, fell 10.78 per cent to $688.51 million in the July-March period of the fiscal year, while the sector fetched a total of $1.02 billion in fiscal 2018-19.

"We will face further challenges in the international markets as our rivals like China, Vietnam and Cambodia are opening their factories gradually," Islam told The Daily Star over the phone.

Since the factories in Bangladesh are closed now, buyers are not even placing any queries, he said, adding: "So, the future is bleak for the sector."

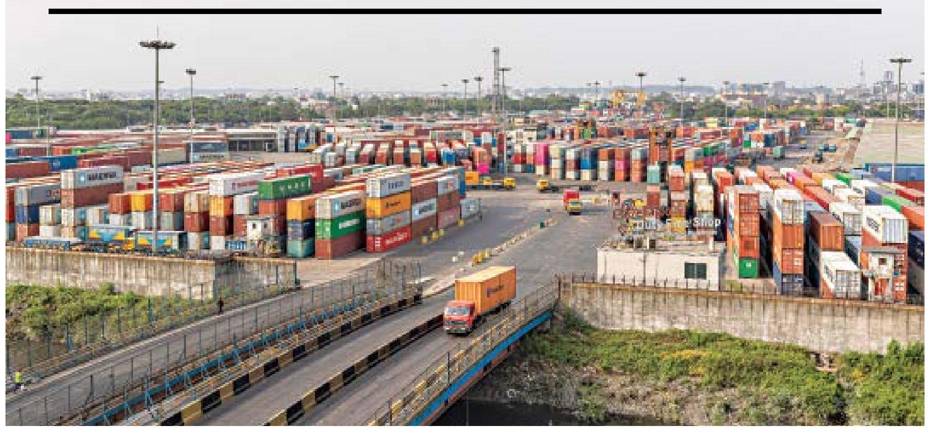
The total export receipts in March were 28.61 per cent short of the monthly target at $3.82 billion. The overall exports earnings fell 6.24 per cent year-on-year to $28.97 billion during the July-March period of the fiscal year. The amount is 14.52 per cent below the periodic target of $33.89 billion.

During the period, the shipment of frozen foods declined 3.91 per cent to $402.6 million, agricultural products 0.1 per cent to $721.98 million, terry towel 29.12 per cent to $30.04 million and home textile 7.59 per cent to $598.19 million.

However, the shipment of jute and jute goods rose 23.49 per cent to $775.63 million, pharmaceuticals 6.50 per cent to $106.22 million and footwear 25.17 per cent to $242.07 million.

EXPORTS AT A GLANCE

Exports dropped 18pc to $2.73b in Mar	Garment, leather and frozen foods received a blow	Earnings fell 6.24pc to $28.97b in Jul-Mar	Garment shipment declined 7.12pc to $24.10b in the nine months	Exports will drop further for coronavirus pandemic



FMCGs playing their part in flattening the curve

AHSAN HABIB

In the fight against coronavirus, two important facets have come out to help protect against the highly contagious, lethal pathogen: hand hygiene and the hygiene of frequently touched surfaces.

And fast-moving consumer goods companies are racing against time to roll out products or ramp up production of existing disinfectant products to make the routine convenient and hassle-free.

Last week, Indian FMCG Marico announced its foray into the hand sanitiser category, whose demand has escalated all around the globe following the outbreak of coronavirus.

If soap and water are not available, health professionals say hand sanitiser can be used as long as it contains at least 60 per cent alcohol and the gel is squirted onto the hands and rubbed briskly all over them for about 20 seconds.

Called the Mediker SafeLife, the hand sanitiser, which comes in two sizes of 40ml and 75ml costing Tk 100 and Tk 150, will be sold at a discounted retail price for six months and any profit coming from its sales will be contributed towards prime minister's relief fund, said a statement.

"We believe that as a responsible corporate this is the least we can do to help consumers protect themselves during the COVID-19 crisis," said Ashish Gopal, managing director of Marico Bangladesh.

Mediker SafeLife, which has 70 per cent alcohol, is one of Marico's quickest launches, brought to the forefront in record-time, to address the surging consumer demand given the current pandemic, the statement added.

Marico has also brought out a hand wash by the same name.

In a similar vein, local FMCG giant ACI accelerated the rollout of Savlon Disinfectant Spray to easily remove germs from high contact surfaces such as doorknobs, fridge handles, kitchen counters, switches, furniture, sofa and so on -- areas through which germs are transmitted and can increase chances of infection.

"This product is a new brand idea in Bangladesh," said Syed Alamgir, managing director of ACI Consumer Brands.

The easy-to-use spray, which comes in cans of 125ml and 300ml costing Tk 150 and Tk 350 respectively, kills germs around the home, including virus, bacteria, moulds and fungi. It also kills commonly contagious viruses such as H1N1, Rotavirus and Norovirus.

The high-contact areas need to be sprayed once and allowed to air dry; there is no need for a subsequent wipe down. Along with bringing the new products, ACI has also ramped up its hand sanitiser production by 8 to 10 times, Alamgir added.

The other local companies also ramped up their productions of hand sanitisers.

Square Toiletries is now making 15 to 20 tonnes of hand sanitisers daily, up from 10 tonnes last month, said Jesmin Zaman, head of marketing of Square Toiletries, which sells 'Sepnil' brand hand sanitisers.

The demand for hand sanitiser hit the roof following the announcement of first confirmed cases of coronavirus in Bangladesh on March 8.

So hysterical was the demand that supermarkets had to take them off the shelves and keep them at the counters and ration them to one each customer.

The demand though has levelled off after the announcement of countrywide shutdown from March 26 as people are staying indoors and have access to soap and water, she said.