

# Adil Chowdhury joins Bank Asia as DMD

STAR BUSINESS DESK

On August 10 this year, Adil Chowdhury joined the senior management team at Bank Asia as deputy managing director.

Chowdhury has over two decades of banking experience with more than 15 years of international exposure, most recently serving the Bank of Nova Scotia (Canada) in Singapore as director. He brings with him his international banking, group treasury, regulatory laws and comprehensive enterprise-wide operations experiences to Bank Asia.

He embarked on his professional journey as deputy manager in Credit Agricole Indosuez, Dhaka in 1995. After serving there for more than 3 years, he joined American Express Bank (Dhaka). In 1999, Chowdhury joined the Bank of Nova Scotia (Dhaka) as head of treasury, where he set up the treasury department and ensured best governance and practices.

In 2001, he was relocated to the Bank of Nova Scotia in Hong Kong where he was responsible for business development and strategic planning that covered financial institutions for 13 countries in Asia.

He was promoted as director for international funding under group treasury at the Bank of Nova Scotia, Singapore in January 2011 where his mandate covered Asia Pacific Region and Middle East North Africa, managing a portfolio of \$9 billion while serving central banks and government investment agencies.



In 1990, Chowdhury was selected as one of the most outstanding international students in American universities and colleges based on academic achievements and was awarded "Who's Who Student Certificate of Merit".

He has a bachelor's degree with honours in electrical engineering in VLSI Design from University of Texas at Austin, USA and an MBA degree from Richard Ivey School of Business, University of Western Ontario, Canada.

Chowdhury holds several international financial markets regulatory and practices (FMRP) certifications from different countries and regions.

## Dollar falls as selling pressure builds on multiple fronts

REUTERS, Singapore

The dollar extended its fall to hit fresh lows against a range of currencies on Tuesday, after a triple blow of retreating yields, soft U.S. economic data and a dip in safe-haven demand exerted broad selling pressure.

The yuan firmed to 6.9246 per dollar, hitting a level unseen since March 9, despite the Trump administration flagging a further tightening of restrictions against Chinese tech gear maker Huawei. Against the Swiss franc, the dollar fell more than 0.1% to fresh 5-1/2 year low of 0.9049.

"The background factor for the moves we're seeing today is the overall weakness of the dollar," said Shinichiro Kadota, senior strategist at Barclays. "And the Swiss franc strengthened because of a euro-led decline in the U.S. dollar since July." The greenback is also poised to re-test multi-month or multi-year troughs against the euro, pound and Aussie made earlier in the month.

The euro last sat at \$1.1891, just below a recent two-year high of \$1.1916.

The Aussie rose 0.12% to \$0.7225, near an 18-month top of \$0.7242 hit on Aug. 7, as the Reserve Bank of Australia reaffirmed the outlook of steady policy.

The Aussie's gains were capped by news China had begun an anti-dumping investigation into imports of wine from Australia. Investors have been relieved by a delay in the review of the U.S.-China trade deal this week, which has left the agreement standing and reinforced a belief the trade relationship can hold even amidst conflict

on multiple other fronts. A fresh rally in tech stocks added to the positive mood, and together with a pullback in U.S. yields and a weak reading in a U.S. manufacturing survey has many traders sticking to their bearish convictions on the dollar.

Net bearish bets on the U.S. dollar grew to their largest since May 2011 last week and spot trade in recent days suggest the position has only grown further since.

"Extended short dollar positions risk a sharp pull back if the dollar downside stalls further, but for now the negatives for the dollar are mostly still in place," said analysts at Singapore's OCBC Bank.

"We are reduced to staying in the game while the music is playing." On the data front, the New York Fed's Empire State business conditions index tumbled to 3.7 in August from 17.2 in July - far lower than the 15 points forecast by a Reuters survey.

Delinquency rates for residential mortgages also posted the largest quarterly increase on record.

"A high delinquency rate for an extended period can impair the banking system," said Commonwealth Bank of Australia currency analyst Joe Capurso.

"An impaired banking system could hold back the U.S. economic recovery like it did in the aftermath of the (2008 crisis)," he said.

The Japanese yen rose back past 106-per-dollar to 105.63 after a 2.6 basis point drop in benchmark U.S. 10-year government bond yields overnight.

## BSEC orders firms to report on lending to sister concerns

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If the money were deposited with a bank, the listed companies would have got higher interest and thus higher profits, he said, adding that some sponsors are even using the employees of the listed companies to serve the purpose of the privately-held firms.

"But none raised questions about the cheating. The new commission has brought the issue to the table. This is welcoming," Rahman added.

## Trump promises tax credits for firms that bring jobs back from China

REUTERS, Mankato

US President Donald Trump on Monday vowed to create 10 million jobs in 10 months, in part by setting up tax credits for US companies that relocate manufacturing facilities to the United States from China.

Trump, seeking to build support ahead of the Nov. 3 election, told supporters during a visit to Mankato, Minnesota, his administration would also strip federal contracts from companies that outsourced work to China. "We will create tax credits for companies that bring jobs from China back to America," Trump said during an hourlong speech. He also predicted the US economy would bounce back strongly from the economic shock caused by the coronavirus pandemic - as long as he was re-elected.

"What we're doing together is nothing short of an economic miracle and now we're doing it again," Trump told cheering supporters. "We built the greatest economy in the history of the world and now I have to do it again." Trump hailed increased retail sales in recent months. But data released last week showed US retail sales increased less than expected in July as consumers cut back on purchases of motor vehicles.

They could slow further in the months ahead amid spiraling new COVID-19 infections and a cut in unemployment benefit checks.

## Mexico to unveil economic recovery plan in two weeks

REUTERS, Mexico City

Mexico's government will in two weeks present a plan to revive the economy from the coronavirus pandemic, targeting sectors like construction and energy, President Andres Manuel Lopez Obrador said on Monday.

"In 15 days, a plan for the reactivation of the economy will be presented," Lopez Obrador said during a regular conference, noting that the government was in talks with the influential Business Coordinating Council (CCE) about the initiative.

"We'll present a plan that will cover infrastructure construction, including in the energy sector," he added.

Last week, Mexican construction industry lobby CMIC said it had identified 242 infrastructure projects in different states requiring some 294 billion pesos (\$13.31 billion) in investment.

The novel coronavirus is spreading in the Americas. Lopez Obrador has said in recent days that the pandemic is losing force in Mexico, but its death toll stands as the world's third highest after the United States and Brazil.

## Efficient logistics network a must to boost e-commerce post pandemic

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On the other hand, existing private logistics companies can jointly collaborate to expand their network across the country.

Poor logistics is one of the major setbacks behind the sluggish growth of the e-commerce industry in many developing markets, including Bangladesh. We can boost its growth, create new entrepreneurs and employments by setting up e-commerce logistics footprint all over Bangladesh.

### DIGITAL LOGISTICS PLATFORM FOR E-COMMERCE

The digital platform can unlock significant pockets of value. Here, the platform will act as an aggregator, which will work well in our current fragmented market. This platform will have similarities with the on-demand vehicle hiring digital platform like Uber, Pathao.

There will be one national platform where all logistics companies will be connected and their services, price and network live visibility will be there. If any merchant wants to deliver a product, he/she can enter that platform, see live services and can compare delivery lead time along with the cost.

Currently, most of the logistics start-up companies are based in Dhaka. If this platform can be developed, then a significant number of logistics start-ups will be established and this will not only ensure competitive services but also create full and part-time jobs around the country.

To develop this digital logistics e-commerce platform, BASIS, the posts and telecom ministry, the Access to Information (a2i) and private organisations can play an active role.

### DIVERSIFIED LOGISTICS FLEET

The main objective of the diversified logistics fleet is to ensure on-time delivery of products at competitive prices and explore all transport fleet services. Currently, all logistics companies prefer delivering goods through roads. But we can explore our domestic passenger airline network also.

As we know, each aeroplane has a certain cargo carrying capacity and if they can get customer forecasted cargo weight through an app

in advance then they can easily sell remaining capacity to e-commerce logistics companies.

It will not only ensure faster delivery of products to customers but will also ensure competitive ticket price benefits for airline passengers if they do not use their allocated cargo.

In the same way, water transport network can also be explored. A certain portion of Bangladesh gets affected by flood each year and to serve customers of those areas a proactive initiative utilising water transport facilities can be explored too.

### DECENTRALISATION OF FULFILMENT AND WAREHOUSE FACILITIES

Bangladesh's current e-commerce businesses are operating mainly through centralised warehouse systems and recently we came to know that one of Bangladesh leading e-commerce businesses is going to invest to expand their logistics infrastructure across the country through setting up multiple product hubs in different divisional districts.

To avoid going for huge investments, other logistics start-up companies can jointly set up a warehouse or product hub across Bangladesh.

The main objective of decentralised warehouses is to send goods relatively closer to the customer, which will ensure greater delivery flexibility and shorter lead times. And due to decentralisation across the country, new employment opportunities will be generated too.

### EFFICIENT REVERSE LOGISTICS

Returns management may be the most challenging aspect for e-commerce sellers and in Bangladesh, the quality of this particular service is not at all up to the mark. Efficient return policies will encourage buyers and help them purchase goods with the confidence that they will not be stuck with the products that do not suit their needs.

The e-commerce logistics plans and services should be defined such a way that the customers can have clear visibility and live updates on their products.

### SMART ANALYTICS AND USE OF LATEST TECHNOLOGY

Tech-enabled logistics ecosystem will not only bring efficiency in business but will also ensure intangible benefits like better customer care and customer satisfaction. GPS tracking is one of the core digital logistics inventions and the ever-growing e-commerce logistics can make most of the GPS vehicle tracking system to reap better benefits for the business.

Logistics providers should plan their way forward smartly to be able to make fast and seamless delivery and leverage the maximum output from the growing digital consumer class.

Usage of business intelligence (BI), Big Data and smart analytics in digital logistics can be a game-changer in e-commerce. Big data also plays a vital role in optimising product transit by making real-time data analytics possible.

The Covid-19 has massively accelerated the growth of e-commerce globally as well as in Bangladesh. As per DHL Global E-Tailing 2025 study, over the next 10 years, online retail will continue to gain popularity in both emerging and developed markets.

As a result, e-commerce logistics companies will have to play a key role in providing supply chain management services that evolve with consumers' changing shopping habits.

In Bangladesh, the e-commerce sector's growth has exceeded all expectations and so far, it had a significant impact on changing the economy.

Right e-commerce logistics road map will actively boost economic variables and growth rates and will lead to the creation of new employment, entrepreneurs, higher wages and higher standards of living for individuals. It will attract foreign direct investment and increase production and growth rates, which will lead to achieving our sustainable development goals, the upper-middle-income country status by 2030 and the Vision 2041, which aims at establishing Bangladesh as a high-income country.

The author is the head of supply chain and procurement at bKash

The move from the central bank came although the infections from the coronavirus are rising.



SBAC Bank Chairman SM Amzad Hossain presides over the seventh annual general meeting of the bank through a digital platform yesterday. Managing Director and CEO Tariqul Islam Chowdhury also took part in the meeting. The bank approved 10 per cent stock dividend for the year ended on December 31, 2019.

## Japan's low jobless rate masks deepening worker despair

REUTERS, Tokyo

Japan's low unemployment rate on paper suggests an economy weathering the coronavirus reasonably well, but official figures belie worsening prospects for the country's army of temporary workers, who make up about 40 per cent of the jobs market.

A rise in job losses would undermine one of the few successes of Prime Minister Shinzo Abe's "Abenomics" stimulus policies, aimed at reviving the economy.

Japan's jobless rate stood at 2.8 per cent in June, much lower than 10.2 per cent in the United States and 7.8 per cent in the 19-member euro zone.

But a close look at data shows a rising number of people dropping out of the jobs race. That prevents the official jobless rate - the ratio of job seekers who are yet to land work - from rising much.

About 2.4 million furloughed workers are kept on payrolls backed by state subsidies, which the government is seeking to extend beyond its end-September expiration.

"The huge number of furloughed workers suggests companies are saddled with excess labour and are under pressure to cut jobs down the road," said Hisashi Yamada, senior economist at Japan Research Institute.

"Job losses will hurt Japan's economic recovery as they spread to broader sectors in coming years, eroding households' purchasing power," he said.

Japan's economy plunged by a record pace in the second quarter as the pandemic hit consumption and exports.

In the jobs market, the pain has been felt most by those categorised as "non-regular workers," including those with low-paying, part-time jobs, who make up 38 per cent of all employees in Japan.

Non-regular workers account for roughly three



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## From Africa to America, businesses and insurers face survival showdowns

REUTERS, Pilanesberg Park

Wynand du Toit's safari camp in South Africa's Pilanesberg National Park lies abandoned, its tents ripped open by baboons and its survival in the balance after his insurer rejected his COVID-19 claim.

In the United States, Miami restaurant owner Luis Debyale has laid off two-thirds of his staff and is desperate for an insurance payout that could help avert the prospect of closure.

Meanwhile, Munich beer garden boss Christian Vogler is heading to the German courts in an attempt to wrestle about 1 million euros (\$1.2 million) from his insurer.

Businesses around the world, hamstrung by lockdowns, are facing often-existent showdowns with insurance companies that are reluctant to pay out on business interruption policy claims for a disaster unknown in living memory.

The insurers say many such policies exclude pandemics, require physical damage on premises or do not apply to the widespread lockdowns seen globally.

However with about 2 million rand in debts still to pay, demand uncertain and an ongoing ban on international tourism, which made up 70% of pre-pandemic revenues, it is going to be tough to stay afloat without a full payout.

## Banks ordered to return to normal working hours

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Banks will be allowed to hold regular meetings and bankers will be allowed to travel abroad.

"A good number of people are still being infected by the coronavirus, so the central bank should not have lifted the alternative roster," said a central banker requesting anonymity as he is not authorised to speak with the media.

Rather, the central bank could have given the responsibility to banks to decide on whether they would follow the roster or not, he said.

The move from the central bank came although the infections from the coronavirus are rising.

Some 3,200 people tested positive for COVID-19, according to a press release of the Directorate General of Health Services yesterday. This took the caseload to 282,344.

As many as 46 people died from the disease in the last 24 hours, the DGHS said. The total number of deaths has now reached 3,740.

Bangladesh is the 16th worst-affected country in the world in terms of fatalities.