

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▲ 0.57%	▲ 0.66%	\$1,814.42	\$73.35	▼ 0.92%	▼ 0.88%	▼ 1.08%	▼ 0.79%	BUY TK 83.95	97.92	114.79	12.71
6,212.76	10,810.81	(per ounce)	(per barrel)	52,568.94	28,118.03	3,107.59	3,525.50	SELL TK 84.95	101.72	118.59	13.37

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Star BUSINESS

DHAKA FRIDAY JULY 9, 2021, ASHAR 25, 1428 BS • starbusiness@thedailystar.net



Harun ur Rashid ponders how to get by amidst a dearth of customers for the ongoing strict lockdown, at his bedding store in Nilkhet yesterday. Small businesses have been feeling the heat of the pandemic-induced economic slowdown for the past one and a half years. The situation has taken a turn for the worse during the current restrictions.

PHOTO: SK ENAMUL HUQ

Private credit growth sinks to 28-year low

AKM ZAMIR UDDIN

Bangladesh's private sector credit growth decelerated to 7.55 per cent in May, the lowest in at least 28 years, due to the depressed demand for loans amid the Covid-19 pandemic.

Banks have also adopted a cautious approach to giving out credit as loans tend to become non-performing given the ongoing business slowdown.

In the last one year, lenders have largely disbursed the stimulus fund introduced by the Bangladesh Bank and hardly lent from their own pockets.

As a result, the private sector credit growth has been on a downward path. It stood at 8.29 per cent in April, way lower than the central bank's target of 14.8 per

the volume of the stimulus loans disbursed. "This means banks have given focus to the stimulus packages while disbursing loans," Mansur said.

The government has so far declared 23 stimulus packages involving Tk 128,440 crore, which is 4.59 per cent of the gross domestic product. Of the sum, the BB has set a target to inject around Tk 97,000 crore.

The central bank's initiative to pump the stimulus funds and the lower disbursement of loans by banks have caused the excess liquidity in the banking industry to balloon.

Excess liquidity stood at Tk 211,688 crore in May in contrast to Tk 201,546 crore a month ago, data from the BB showed.

"This has created a new monetary challenge for the central bank as borrowers who have little scope to invest in the

Despair mounts for the debt-trapped

Micro-businesses, informal workers see incomes fall further amid lockdown

MAHMUDUL HASAN and SUKANTA HALDER

Debt-ridden micro-businesses and informal workers in Bangladesh are staring at new economic distress as incomes evaporated because of the ongoing strict lockdown, which could impose an additional financial burden on them and deepen their plights.

On July 1, the government was forced to reinstate a nationwide curb on movement,

closing offices and banning non-essential business activities, as the Delta variant of the coronavirus is sweeping across the country.

Now, the small businesses and informal workers, which have been feeling the heat of the pandemic-induced economic slowdown for the past one and a half years, fear that the restriction, if extended, could leave them without income for a long period and may lead to partial starvation.

"The lockdown will completely wipe out my income ahead of Eid. I don't know how I will buy the groceries," said Mohammad Masud, a vendor who sells clothing items from his van in the capital's Farmgate.

The breadwinner of a six-member family, Masud had to close his business for lockdowns twice: for three and a half months from March to May last year during the first lockdown and for 15 days in April this year during the

second one.

He started to borrow since the first lockdown, and now his total debt stands at Tk 2 lakh.

"There is a huge gap between income and expenditure. I forgot the last time I bought a kilogramme of beef for my children."

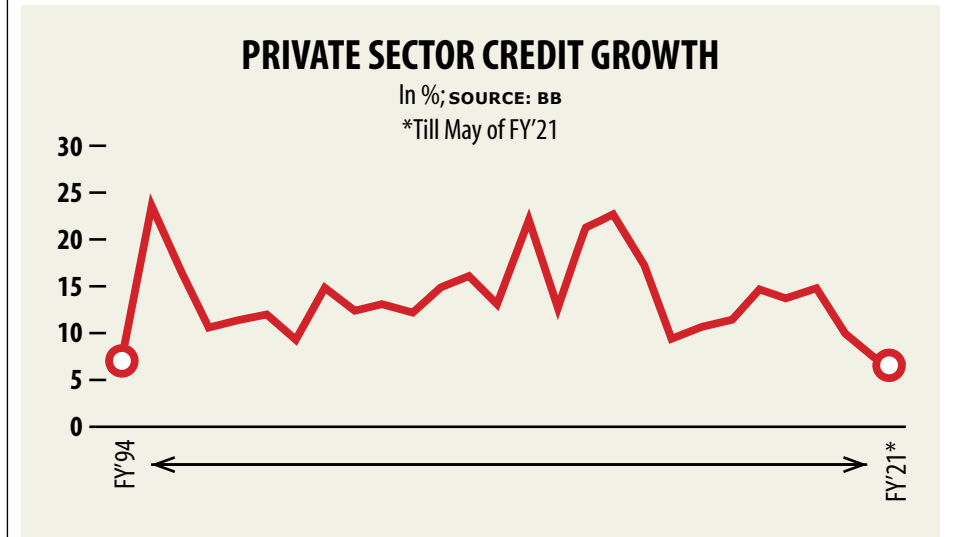
This is because his monthly income has plunged to Tk 8,000 from Tk 15,000. But he can only earn when makeshift shops remain open.

"My daughter has been sick for five days and my son for three days. But I couldn't take them to hospitals as I have no money," he said.

According to experts, the impact of the economic downfall will last longer for the financially vulnerable sections as many of them were pushed into a debt trap.

In April, the Citizen's Platform for SDGs, Bangladesh, in a study, found that a large number of households were likely to fall into a debt trap as their savings depleted.

READ MORE ON B2



cent for the just-concluded fiscal year.

"There is no scope for the credit and GDP growth to make a turnaround until the country can rein in the spread of the coronavirus pandemic," said Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh.

The credit growth may decline further in the coming months if the government fails to accelerate its vaccination programme, he said.

The outstanding loans in the private sector stood at Tk 11,71,808 crore in May. The amount has expanded by Tk 82,252 crore in the last one year, almost equal to

productive sector may choose the bubbling zones such as the housing sector and the capital market," Mansur said.

"The central bank should take initiatives immediately to mop up the fund from the financial sector, or else it may create an inflationary pressure."

However, the former economist of the International Monetary Fund suggested the central bank expand its volume of stimulus fund for small and medium enterprises to help the economy recover from the existing sorry state.

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Have a TIN? Get ready to file tax return

SOHEL PARVEZ

Every year, the last week of November sees a mad rush of individual taxpayers at the tax offices and tax farms. The reason is obvious: the final deadline to file annual income, expenditure and wealth statements without penalty is November 30, termed as Tax Day.

However, one can easily avoid the hassle of hurriedly filing a return as early preparation is the answer. One can furnish his or her tax return much earlier than November as the timeframe for submitting income statements to tax offices begins from July 1 and ends on November 30 every year.

Filing returns after the deadline is possible but with penalty. But who has to file tax returns? Is it only for those whose income crossed Tk 300,000 in the July-June



period of fiscal 2020-21? Not at all.

If you have a Taxpayer Identification Number (TIN) just for a credit card or to sell land but do not have any income at the moment, you are free from submitting tax returns.

Other than this though, if you have a TIN, you need to comply and file tax returns, according to the Income Tax Guidelines 2021-22 for individual taxpayers, released by the National Board of Revenue (NBR) recently.

The tax authority has made the filing of tax returns mandatory for persons in 22 areas, including individuals who have 12-digit TINs.

In addition, people working in the public sector with a basic salary of Tk 16,000 and above will also need to furnish tax returns.

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Bicycle exports hit a new high

JAGARAN CHAKMA

Bicycle exports have hit a new high, buoyed by increasing demand for the green mode for transportation aiding social distancing in the face of a surging number of coronavirus infections.

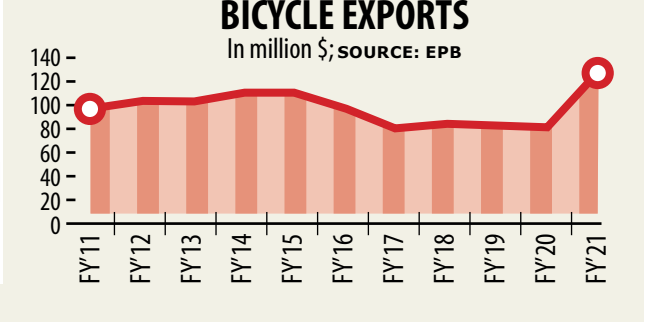
Manufacturers registered 58 per cent export growth year-on-year to \$130 million in fiscal 2020-21, Export Promotion Bureau (EPB) data shows.

The previous high was \$126 million in fiscal 2014-15.

"People in European countries are preferring bicycles in their efforts to maintain social distance owing to the coronavirus," said Md Luthful Bari, director of operations of Meghna Group, the country's biggest bicycle exporter.

"The health consciousness has fuelled demand and use of bicycles," he said.

Bicycle exports had been on



the downturn since fiscal 2014-15. The two wheeler is exported to European markets and demand began recovering following the Covid-19 outbreak, said exporters.

Kamruzzaman Kamal, director for marketing of Pran-RFL Group, said the business houses export bicycles in bulk quantities to the European Union countries, including Germany.

The Covid-19 pandemic has triggered demand for bicycles worldwide and especially in northern Europe, he said, adding that they exported 3 lakh bicycles last fiscal year, posting a 60 per cent growth year-on-year.

"The demand will also increase in upcoming days as European people like to use two wheelers due to rising health consciousness and

for excursions," said Kamal.

RFL Bike Industry has a capacity to manufacture 10 lakh bicycles per year.

Bari, also secretary to the Bangladesh Bicycle and Parts Manufacturers' and Exporters' Association, said the global bicycle market size was valued at \$54.44 billion in 2020.

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Trial use of lighter jetty begins

DWAIPAYAN BARUA, CTG

Around eight years past being constructed by the Chittagong Port Authority (CPA), one of the four lighter jetties started undergoing trial operations yesterday.

Kabir Steel Re-Rolling Mills (KSRM), one of the country's leading steel manufacturers that attained a lease in May 2018 to use the jetty for unloading imported scrap, began unloading goods there in the afternoon.

KSRM yesterday unloaded imported scrap from lighter MV Jahan Moni-1.

KSRM Chief Executive Officer Meherul Karim said they started unloading goods at the jetty on a trial basis and would monitor how it performed.

Still, there are some infrastructure works to be completed since the jetty lacks many facilities, including sheds for workers' stay and toilets, while a back access road was still too narrow for big-sized trucks, he said.

KSRM Deputy Managing Director Sarwar Jahan said the lighter jetty would, somewhat, be helpful for their production supply chain.

Usually, a portion of scrap imported in big-sized vessels is unloaded onto smaller lighters at the outer anchorage of the Chattogram port to reduce their draft and enable them to access berth in the port's main jetty.

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Scrap metal imported by KSRM being unloaded from a lighter at one of the four dedicated jetties constructed at Sadarghat area by Chittagong Port Authority. The photo was taken yesterday.

RAJIB RATHAN

Stocks break 2-day losing streak

STAR BUSINESS REPORT

Stocks regained yesterday, breaking a two-day losing streak thanks to the buying spree of investors.

DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), rose 35 points, or 0.57 per cent to 6,212.76.

Turnover, an indicator of liquidity flow in the market, dropped 5 per cent to Tk 1,491 crore from Tk 1,577 crore a day earlier.

At the DSE, 191 stocks advanced, 155 declined and 28 remained unchanged.

Tamijuddin Textiles topped the gainers' list, rising 10 per cent, followed by Paper Processing & Packaging, CVO Petrochemicals, Bangladesh Monospool Paper Manufacturing, and Sonali Life Insurance.

Stock of Beximco Ltd traded the most, worth Tk 102 crore, followed by LafargeHolcim Bangladesh Keya Cosmetics, Beximco Pharmaceuticals, and Aman Feed Mills. Trust Bank shed the most, falling 11.34 per cent, followed by Envoy Textiles, Fas Finance, ICB Islamic Bank, and Olympic Accessories.

The port city bourse also rose yesterday. The CASPI, the general index of the Chittagong Stock Exchange, advanced 120 points, or 0.67 per cent, to 18,001.

Among 321 traded stocks, 159 advanced, 136 dropped and 26 remained unchanged.



IBBL
Mohammed Monirul Moula, managing director and CEO of Islami Bank Bangladesh, virtually addressed its Business Development Conference recently. Additional managing directors Muhammad Qaisar Ali and Md Omar Faruk Khan and deputy managing directors Abu Reza Md Yeahia, JQM Habibullah, Taher Ahmed Chowdhury and Md Mostafizur Rahman Siddiquee attended the programme.



MIDLAND BANK
Syed Ashiqur Rahman, general manager of Bproperty, and Md Ridwanul Hoque, head of retail distribution division of Midland Bank, recently signed an agreement at the bank's Gulshan-2 head office to provide home loans to Bproperty's clients. Khondokar Rejbeen Ahsan, general manager of Bproperty, and Khondkar Towfiq Hossain, head of international division of the bank, were also present.

ECB to announce revamped inflation target, climate role

REUTERS, Frankfurt
The European Central Bank was to announce the outcome on Thursday of an 18-month strategy review, redefining an inflation target seen by some as confusing and laying down what role it can play in the fight against climate change.
The central bank's first strategic review since 2003 has been one of ECB President Christine Lagarde's priorities since she took over from Mario Draghi in late 2019. Its results may

herald the biggest transformation of the hugely powerful but still relatively young institution that shapes monetary policy for the 19 countries that use the euro.
In a move long flagged by policymakers, the bank is likely to set its inflation target at 2 per cent, ditching its current formula of "below but close to 2 per cent", which has created the impression it worried more about price growth above the target than below it.
The target is also likely to be declared

symmetric. But after nearly a decade of undershooting its current goal, investors will be watching for clues to whether the ECB will be willing to let inflation overshoot following bouts of low price growth.
They will also be looking to see if the ECB will follow its US counterpart the Federal Reserve in targeting average inflation over a period to make up for lost price growth.
An explicit reference to tolerating an inflation overshoot is likely to be seen by investors as a commitment to keep monetary policy ultra-easy for an even longer period and would be seen as an assurance that 2 per cent is not a cap, as now perceived.
But such a move could be politically risky, particularly among inflation-wary Germans, and Bundesbank chief Jens Weidmann has long opposed it.
The ECB is also likely to say that its inflation methodology needs to be updated to include costs of owner-occupied housing (OOH). Those are measured by EU statistics body Eurostat, however, and any change is likely to be years away as this would require changes in how some countries collect data.
OOH could lift headline inflation by around 0.2-0.3 per cent points in the current low interest rate environment, analysts say.
On climate change, the ECB looks almost certain to use its bank supervision arm to force companies to make greater climate-related disclosures.
Raising collateral requirements for polluting firms or skewing asset purchases around climate goals have also been on the table, but appear to be generating greater debate among the 25 members of the Governing Council.
The ECB will announce the results of the review at 1100 GMT, followed by a Lagarde news conference at 1230 GMT.



REUTERS/FILE
The headquarters of the European Central Bank (ECB) in Frankfurt, Germany.

US states accuse Google of app store monopoly

AFP, San Francisco
Dozens of US states joined forces in a lawsuit filed Wednesday accusing Google of abusing its power when it comes to getting apps for Android-powered mobile devices.
The litigation aimed at the Play Store online shop for apps and other digital content for Android smartphones comes as the power of Big Tech firms is facing increasing pressure from regulators and lawsuits.
"We are filing this lawsuit to end Google's illegal monopoly power and finally give voice to millions of consumers and business owners," said New York attorney general Letitia James, a leader of the litigation.
"The company has ensured that hundreds of millions of Android users turn to Google, and only Google, for the millions of applications they may choose

to download to their phones and tablets.
"The lawsuit backed by 37 attorneys general accuses Google of using anti-competitive tactics to discourage Android apps from being distributed at shops other than its Play Store, where its payment system collects commissions on transactions.
Google rejected accusations in the suit as meritless, detailing ways that the Play Store has helped app makers thrive while providing security for Android device users.
"Android and Google Play provide openness and choice that other platforms simply don't," Google senior director of public policy Wilson White said in a post.
"The complaint is peppered with inflammatory language designed to distract from the fact that our rules on Android and Google Play benefit consumers." The lawsuit contends that Google has inserted itself as "the middleman" between app developers and consumers.



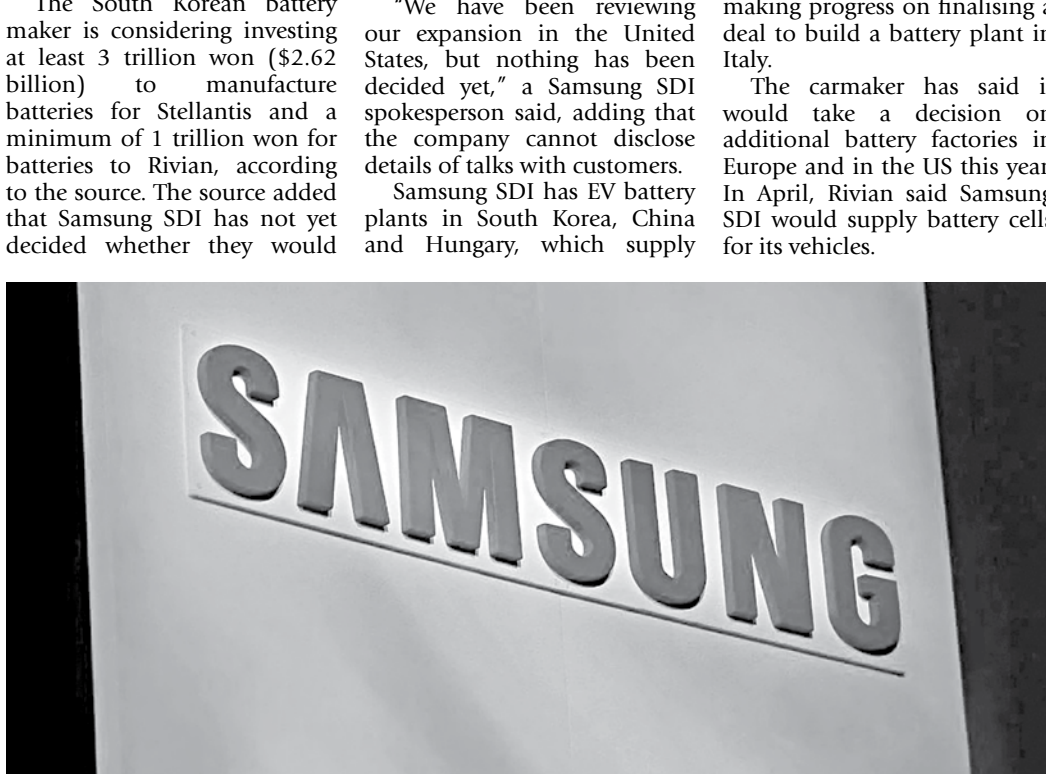
AFP
Google faces a lawsuit from dozens of US states that accuse the tech giant of abusing its power when it comes to getting apps for Android-powered mobile devices.

Samsung SDI considers building battery cell plant in US

REUTERS, Seoul
South Korea's Samsung SDI Co may build a battery cell plant in the United States to support the auto industry's shift to electrification, a company source with close knowledge of the matter told Reuters on Thursday.
Samsung SDI, an affiliate of Samsung Electronics, has been in talks with automakers including Stellantis, Amazon and Ford Motor-backed electric vehicle startup Rivian to supply batteries manufactured at its potential US factory, the source said.

The source said the decision to build in the US reflects the changes on tariff rules in the United States-Mexico-Canada Agreement (USMCA) that took effect last year, replacing the 1994 North American Free Trade Agreement (NAFTA).
The USMCA requires that vehicles have 75 per cent North American content compared with a 62.5 per cent threshold under NAFTA in order to avoid tariffs.
"We have been reviewing our expansion in the United States, but nothing has been decided yet," a Samsung SDI spokesperson said, adding that the company cannot disclose details of talks with customers.
Samsung SDI has EV battery plants in South Korea, China and Hungary, which supply

customers such as BMW, Ford, Volvo and Volkswagen.
Samsung SDI's domestic rivals LG Energy Solution and SK Innovation Co Ltd have announced separate plans to manufacture EV battery cells in the US.
Formed in January by the merger of Italian-American group Fiat Chrysler and France's PSA, Stellantis has battery plant projects in France and in Germany, both in a joint venture with a subsidiary of TotalEnergies.
Reuters reported on Wednesday that Stellantis is making progress on finalising a deal to build a battery plant in Italy.
The carmaker has said it would take a decision on additional battery factories in Europe and in the US this year.
In April, Rivian said Samsung SDI would supply battery cells for its vehicles.



REUTERS/FILE
The company logo is displayed at the Samsung news conference at the Consumer Electronics Show (CES) in Las Vegas.

Despair mounts for the debt-trapped

FROM PAGE B1
The study, carried out among 1,600 households in February, said 93 per cent of micro, small and medium enterprises (MSMEs) experienced financial hardship due to the pandemic, and their current income was insufficient to cover the current expenditure.
Of the MSMEs, 75 per cent had to borrow to cope with the crisis.
"When earnings opportunity for micro-enterprises becomes unavailable repeatedly, they have no other alternative but to take loans to survive," said Towfiqul Islam Khan, a senior research fellow of the Centre for Policy Dialogue.
At first they try to borrow from relatives and friends, and then they turn to private lenders, who impose high-interest rates.
"Eventually they fall into a debt trap," Khan said.

Another survey conducted by the Power and Participation Research Centre (PPRC) and the Brac Institute of Governance and Development found households taking loans almost doubled compared to the pre-pandemic level.
The amount of credit per household in the cities stood at Tk 42,961 in March, up 86 per cent from February last year. For a rural household, it was Tk 58,101, up 75 per cent from February.
"The savings of the informal sector workers and micro-entrepreneurs depleted, and their debt in comparison to incomes soared because of the economic downturn. If the income of households decreases, their debt must keep going up," said PPRC Executive Chairman Hossain Zillur Rahman.
These people constitute the new poor, and although the government has expanded the social safety net by increasing the old-age allowance, the new poor has remained excluded, he said.
Mohammad Babul, a micro-entrepreneur who sells plastic goods in two small shops in the capital's Adabar and Darussalam, said his debt swelled to Tk 5 lakh in the last one and a half years.
Of the amount, Tk 3 lakh came from a bank and Tk 2 lakh from a private moneylender.
He borrowed the money as he had

expected the business to make a turnaround as the economy reopened largely in June last year.
"As the pandemic situation is worsening, and one after another restriction is being put in place, I am not sure whether I would be able to repay the loans."
He will have to pay Tk 30,000 yearly for every Tk 1 lakh borrowed from the loan shark.
Md Nabinullah, who sells wristwatches in a makeshift shop on Indira Road, said his monthly income declined to Tk 7,000 from Tk 20,000.
As he was unable to bear the family expenses, he took a Tk 1 lakh loan from a microfinance institution. The monthly instalment is Tk 10,500.
"I had thought that the pandemic will be over this year and my business will return to normalcy. But none wants to buy watches now," he said.
Because of the economic distress, the education of his son and daughter has become uncertain.
"I can't buy daily essentials regularly. How can I afford the cost of education for my children?" he asked.
Educational institutions have been closed since the pandemic hit Bangladesh in March last year. Although some students attend classes online, most can't afford it. The schools for primary-level students are not offering any form of education at all.
"I cannot go out begging, but none realises our pain," Nabinullah said.
Lovely Akther, a tea vendor in Tejkunipara, has not been able to pay her house rent for the last three months.
"What will I get from talking to journalists? Will the government give me anything if you write about me? In the last one and a half years, I have got nothing from anyone," she said.
Similarly, the daily income of Omar Mia, who repairs rickshaws in Mirpur, has plunged to Tk 200 from Tk 500 before the pandemic.
"I have been suffering from diabetes and heart and kidney diseases for a long time. I need medicines worth Tk 120 every day," he said.
The 60-year-old could not pay the house

rent in the last three months. "The landlord is continuously putting pressure on me. He often verbally abuses me."
Omar has to look after two granddaughters after the demise of his daughter. He could not ensure nutritious food for them in the last several months.
"I hear so much about government support on the television, but I have received nothing. Now I am eagerly waiting for the Angel of Death to come and take my life."
In January this year, the government allocated Tk 1,500 crore under a stimulus package for small traders, entrepreneurs and farmers to help them tackle the impacts of the economic fallout.
Eight government and semi-government agencies, including the SME Foundation, the Joyeta Foundation and the Bangladesh Small and Cottage Industries Corporation, have been given the responsibility to disburse the fund.
Of the amount, Tk 570 crore was allocated in the last fiscal year. The rest is expected to be disbursed this fiscal year.
Officials of five agencies such as the SME Foundation and the Joyeta Foundation said informally-run micro-businesses and hawkers have been left out of the stimulus package as they do not meet the eligibility criteria, which state that the beneficiaries have to have trade licences and permanent establishments to qualify.
Md Mafizur Rahman, managing director of the SME Foundation, said the state agency channelled funds through banks and non-bank financial institutions.
"Discussions on the need of the informal sector are going on at various forums unofficially. Like other sectors, informal businesses have been severely affected. Thousands of people are engaged in the informal sector. This sector should be given support," he said.
Of the total employed workforce, about 85 per cent are in the informal sector.
CPD's Khan called for expanding the social safety net to support the MSMEs.
PPRC's Rahman said the government should bring the new poor under the safety net programmes and increase the stipend amount for primary school students from Tk 100 to Tk 500 per month.

Safe food production loses steam

Farmers are returning to chemical pesticides due to higher prices of bio-pesticide, slow marketing

AKANDA MUHAMMAD JAHD

A Tk 58.5 crore project has created interest among farmers to grow foods by using bio-pesticides. And an increased number of growers have switched from using chemical pesticides.

However, they are again returning to chemical pesticides to produce vegetables and other crops, mainly because of higher prices of environment-friendly pesticides and inadequate marketing facilities for safe foods, finds a report by the Implementation Monitoring and Evaluation Division (IMED) of the planning ministry.

The government took up the project, 'Safe Crop Production through Integrated Pest Management (IPM)' in July 2013 to encourage farmers and support them to grow safe food crops through integrated pest management (IPM) practices.

The Department of Agricultural Extension (DAE) implemented the project ending in June 2018.

To assess the impact of the scheme, the IMED has conducted a study recently.

The IMED said the project strengthened safe food production by encouraging farmers to use bio-pesticides and fertiliser through setting up 6,700 farmers' field schools, 6,700 IPM clubs and providing training to farmers.

But many farmers who had been brought under the scheme are now more interested in using chemical pesticides due to increasing demand and high price of bio-pesticides in the markets, it said.

Besides, about 20 per cent of the IPM clubs have already become inactive due to a lack of effective monitoring.

The complicated registration system for the IPM club membership and the reluctance of the club members to deposit monthly fees are also the reasons behind the inactiveness of the club, the IMED data showed.

The major objectives of the scheme, titled "Safe Crop Production through Integrated Pest Management (APM) Policy", were to increase both



A pheromone trap being used in the cultivation of tomato at Darikamari village in Panchagarh sadar upazila of Panchagarh district. There has been a lack of proper marketing for safe crop production, which is discouraging farmers from cultivating safe foods, according to a survey.

STAR/FILE

production and income of farmers in a sustainable and environmentally friendly way, and popularise pest management activities through the use of the IPM method.

The survey showed that after implementation of the scheme, every year 12.7 per cent of new farmers and 10.4 per cent of land have been included in the IPM system.

In the first financial year of the scheme, about 12,361 farmers used the IPM method which has

increased to 39,048 and pesticide use has decreased by about 14.26 per cent.

It said due to the use of a proper amount of organic fertilisers and pesticides, the costs of paddy, vegetable and fruit cultivation have decreased by 11.30 per cent, 23.39 per cent and 14.09 per cent per hectare respectively.

Moreover, the yields of paddy, vegetables and fruits have increased by 5 per cent, 7 per cent and 7 per

cent respectively.

However, there has been a lack of a proper marketing system for safe crop production, which is discouraging the farmers from cultivating the safe food, it said.

To strengthen the marketing of safe crops, the study suggested the local agriculture offices establish safe vegetable corners in every local market with the help of the local government representatives.

Besides, due to the increasing

demand and high price of environment friendly pesticides, farmers are giving up the use of those pesticides and are being prompted again to the use of traditional chemical pesticides.

The IMED said the benefits of the project would be ensured if the price of bio-pesticide and fertiliser was reduced.

Besides, to ensure the benefits of the project, it suggested making the IPM club registration process easier,

involving the clubs in all activities of the DAE and strengthening monitoring of upazila-level agriculture offices.

It also suggested to cultivate pest tolerant varieties and strengthen the use of bioagents in the production of safe vegetables.

Ahsanul Haque Chowdhury, director of the project, said he did not get the IMED survey report yet.

"I can't say anything without looking at the survey report," he said.

DAE Director General Md Asadullah said the demand for environment friendly pesticides has grown but in fact its price has not increased.

This is because the benefits of using bio-pesticide once are the same as using chemical pesticides four times, he said.

In fact, interest among the farmers, who are producing safe food crops, is declining as there is no separate market system for them, he said.

If the market system was good and the prices of those crops were high, the interest of farmers in producing safe food would have increased and the process of producing safe food grains would have been more sustainable, Asadullah said.

"So we have given suggestions to the government in this regard. As a part of this, we have already set up safe vegetables markets in different parts of the country, including Dhaka. Those efforts are still ongoing to make the success of this project sustainable. Work will start on a larger scale in the coming days," he said.

In order to encourage the farmers under the project, direct field-level training and education are being provided to the farmers, the DAE DG said, adding that no incentives were provided.

Regarding the inaction in the supervision of the employees of the local agriculture office, he said there was no weakness in the monitoring system.

"How is so much crops being produced if there is weakness in monitoring?" he asked, adding, "Our monitoring is increasing day by day. Now we give suggestions and prescriptions going to the spot."

GLOBAL BUSINESS

World food prices fall in June for first time in a year: FAO

REUTERS, Rome

World food prices fell in June for the first time in 12 months, pushed lower by declines in vegetable oils, cereals and dairy products, the United Nations food agency said on Thursday.

The Rome-based FAO also said in a statement that worldwide cereal harvests would come in at nearly 2.817 billion tonnes in 2021, slightly down on its previous estimate, but still on course to hit an annual record.

The Food and Agriculture Organization's food price index, which measures monthly changes for a basket of cereals, oilseeds, dairy products, meat and sugar, averaged 124.6 points last month versus a revised 127.8 in May.

The May figure was previously given as 127.1. On a year-on-year basis, prices were up 33.9 per cent in June.

FAO's vegetable oil price index plunged 9.8 per cent in June, partly on the back of a fall in palm oil prices, which were hit by expectations of output gains in leading producers and a lack of fresh import demand. Soy and sunflower oil quotations also dropped.

The cereal price index dropped 2.6 per cent in June month-on-month, but was still up 33.8 per cent year-on-year. Maize prices fell 5.0 per cent, partly because of higher-than-expected yields in Argentina and improved crop conditions in the United States.

International rice prices also fell in June, touching 15-month lows, as high freight costs and container shortages continued to limit export sales, FAO said.

Dairy prices dipped 1.0 per cent on a monthly basis, with all components of the index easing. Butter recorded the largest drop, hit by a rapid decline in global import demand and a slight increase in inventories, especially in Europe. The sugar index posted a 0.9 per cent month-on-month gain, reaching its highest level since March 2017. FAO said uncertainties over the impact of unfavourable weather conditions on crop yields in Brazil, the world's largest sugar exporter, pushed prices up.

The meat index rose 2.1 per cent from May, with quotations for all meat types rising as increases in imports by some East Asian countries compensated for a slowdown in China's meat purchases.



Vegetables are on display at a fruits and vegetable stand at the Plaza de Dia market in Madrid, Spain. REUTERS/FILE

Asian companies see smallest earnings upgrade in 12 months

REUTERS, Reuters

Asian firms received their smallest upgrade in 12 months in June, hit by a resurgence of Covid-19 infections in the region which prompted new restrictions on people's movement to curb fresh coronavirus outbreaks.

Analysts lifted their forecasts for Asian companies' forward 12-month profits by 0.2per cent in June, the smallest upgrade in a year, Refinitiv data showed.

The manufacturing activity grew at a slower pace in China and Japan as raw material prices rose, while activity shrank in Vietnam, Malaysia and India, where governments imposed tougher restrictions to contain new outbreaks.

The spread of the Delta variant continues to drive global case counts higher, with South Korea reporting its highest ever one-day number of infections on Thursday after Indonesia reported record deaths on Wednesday.

China, Thailand, Indonesia and Malaysian firms faced cuts to their forward earnings forecasts last month.

Growth in China's factory activity slowed



A man stands on an overpass with an electronic board showing Shanghai and Shenzhen stock indexes, at the Lujiazui financial district in Shanghai, China on January 6. REUTERS/FILE

to a 15-month low in June, hit by supply chain woes and a resurgence of Covid-19 cases.

Japan and Hong Kong had small upgrades. On the other hand, Australian firms' profits were lifted by 3per cent, thanks to a surge in commodity prices.

Analysts also raised their forward 12-month earnings estimates for Vietnamese companies by 9.3per cent in the last month as a recovery in developed economies bolstered the country's exports.

The data showed Asia is expected to post an earnings growth of 34.7per cent in 2021, compared with Europe's 63.4per cent and the United States' 45.5per cent.

However, Sean Taylor chief investment officer for the Asia Pacific at DWS, said in a note that Asia is well placed to grow above the trend in the post-pandemic world.

"North Asian markets (China, Taiwan, South Korea) in particular have managed the Covid-19 crisis very well. That is why they have had to take on less debt. That should have a positive impact going forward."

US, Canada raise concern over Mexico energy, investment climate

REUTERS, Mexico

Trade ministers from the United States and Canada expressed concern on Wednesday about Mexico's energy policies, as they met with their Mexican counterpart to mark the one-year anniversary of a regional trade pact.

US Trade Representative (USTR) Katherine Tai told reporters during a joint news conference that the United States is closely following Mexican President Andres Manuel Lopez Obrador's approach to the oil and power sectors, and seemed to suggest underlying differences.

"With respect to the energy policies that we see being discussed and envisioned by the Lopez Obrador administration, we are watching very closely... We are raising our concerns. We are here to engage," Tai said, without citing specific issues.

Her answer came in response to a question about the Mexican government's decision late last week to choose state-owned Pemex to run a major shared oil find instead of a private consortium led by US oil company Talos Energy Inc, which made the discovery in 2017.

Canadian Trade Minister Mary Ng reiterated Canada's "ongoing concern with the investment climate in Mexico specifically in energy and mining sectors," but welcomed the expected reopening of the San Rafael mine operated by Canadian miner Americas Gold and Silver Corp. The mine in northern Mexico will reopen following an extended labor dispute. It primarily produces silver, zinc and lead.

Tai and Ng met in Mexico City with Mexican Economy Minister Tatiana Clouthier at the anniversary

of the entry into force of the United States-Mexico-Canada Agreement (USMCA). The pact replaced the North American Free Trade Agreement.

Ng welcomed the historic, all-female makeup of the group, dubbing them the "three amigas," or "three friends" in Spanish. While in Mexico, the ministers met with entrepreneurs from underrepresented groups, as well as representatives from Mexico's leading business groups, and visited institutions involved in Mexico's labor reform, USTR said in a statement.

"With this meeting, Mexico, the United States, and Canada reaffirmed their commitment to North American supply chains and economic competitiveness, which have created significant economic growth and benefits for people and workers in all three countries," USTR said.

French economy much stronger in Q2: central bank

AFP, Paris

The French economy grew twice as fast as expected in the second quarter, the central bank said Wednesday, as business activity surged after Covid-19 restrictions were lifted.

The Banque de France said that the eurozone's second-biggest economy expanded by around 1.0 per cent from the first three months of the year, while noting that supply bottlenecks and staff shortages had still combined to hobble the recovery.

The bank maintained a 2021 growth forecast of 5.75 per cent, expecting activity to withstand the effects of a feared fourth wave of coronavirus infections.

The European Commission has estimated that the French economy will expand by 6.0 per cent this year, the same figure floated last week by the national statistics agency Insee.

French authorities have remained a bit more cautious meanwhile, and are sticking for now to a full-year growth forecast of 5.0 per cent.