



Mohammed Mahtabur Rahman, chairman of NRB Bank and Al Haramain Perfumes Group, attended an Investor Summit styled "The Rise of Bengal Tiger: Potentials of Trade & Investment in Bangladesh" organised by the Bangladesh Securities and Exchange Commission (BSEC) at InterContinental New York Barclay recently. Salman F Rahman, private industry and investment affairs adviser to the prime minister, Abdur Rouf Talukder, senior secretary to Finance Division, and Shibli Rubayat-ul-Islam, chairman of the BSEC, were present.

GSK sees smaller 2021 profit fall after Q2 beat

REUTERS
GSK forecast a smaller drop in 2021 profit on Wednesday as the drugmaker beat second-quarter earnings expectations, buoyed by a recovery in routine visits to doctors as pandemic restrictions ease.
The British company, which is spinning off its consumer health arm to focus on improving its pharmaceuticals business, said it made adjusted earnings per share (EPS) of 28.1 pence in the three months to the end of June on sales of 8.1 billion pounds (\$11.2 billion).

BEF gets new president, vice-president



Ardashir Kabir
Shusmita Anis
STAR BUSINESS DESK
Bangladesh Employers' Federation (BEF) has had its president and vice-president elected for 2021-23.
The president, Ardashir Kabir, is the managing director of Sathgao Tea Estate, Laboni Corporation, Ironside and Sathgao Agro Farms, director of Kedarpur Tea Company, a former chairman of Bangladesh Tea Association and a former director of Bangladesh Tea Board, says a press release.
The vice-president, Shusmita Anis, is the managing director of ACI Formulations.
She is also a director of ACI Ltd.

Shikho raises \$1.3m seed money

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Combining expertise across content, instruction, media and technology, Shikho utilises multi-layered gamification and modern learning methods to make online learning enjoyable, engaging and effective for students of classes 9 to 12. The technology platform addresses each part of a Bangladeshi student's journey - covering daily lessons, homework, exam preparations, tutoring and skill development.
With 11.7 crore internet users and over 40 per cent of mobile phone users having smartphones, edtech startups have a huge potential in Bangladesh, according to experts.
As the pandemic accelerated digital adoption and many now rely on remote learning, there has been a boom of edtech startups around the world.

Bangladesh has over 45 lakh secondary and college level students who are all potential users of Shikho.

Since they all have been out of classrooms for over 15 months, such platforms have a great potential to gather a huge audience and of a high engagement rate.

Shikho's app includes access to animated video lessons, a library of in-app questions and solutions, along with interactive features for collaboration among peers.

Through Shikho's online platforms, students will soon be able to attend both live and pre-recorded classes taught by subject experts and professional instructors.

This will allow them to gain access to quality instruction that may otherwise be outside of their reach in physical classroom settings, said a statement.

Half of the 165 million people in Bangladesh are below the age of 25, said Shahir Chowdhury, co-founder and CEO of Shikho, which previously raised \$275,000 in a pre-seed financing from LearnStart and strategic angel investors.

However, there is a clear lack of quality online educational resources for students and young professionals, he said.

"As an experienced teacher, I understand the importance of personalised instruction and differentiated learning. This combined with regular feedback are the most powerful tools a teacher has at their disposal," said Zeeshan Zakaria, co-founder and COO of Shikho.

"With this round of investment, we look forward to furthering the technology that brings these features into an automated personalisation engine and the platform as a whole," he said.

Bangladesh has one of the largest allocations of private education expenditure as a percentage of disposable income in the world, said Rahat Ahmed, founding partner and CEO at Anchorless Bangladesh.

But it lags behind countries like India and Indonesia when it comes to edtech funding, he said.

This was the sixth deal of Anchorless Bangladesh since 2020. The other investments include funding for Maya, AliceLabs, Loop Freight and Gaze.

New MFS hits market

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This is the third subsidiary of a bank offering MFS. Previously it was Brac Bank and United Commercial Bank which established bKash and upay respectively.

Transactions through MFS stood at Tk 63,479 crore in April, up 119 per cent year-on-year, according to data from Bangladesh Bank.

General SM Shafiuddin Ahmed, chairman of Trust Axiata Digital, announced the launch at a ceremony in Trust Bank's Dhaka head office.

"In this technological era, MFS is a very fitting and useful technological tool. This is why Trust Bank has partnered with Asian tech giant Axiata Digital Services to launch 'tap'," he said.

Humaira Azam, managing director of Trust Bank, said the bank aimed to provide the best banking services to people of the country.

"This is the reason for our partnership with Axiata Group. I believe digital transaction services can reach new heights through this partnership," she said.

Dewan Nazmul Hasan, chief executive officer (acting) of Trust Axiata Digital, said he believed people of the country would welcome this initiative by Trust Bank.

"Trust Axiata Digital Limited will become an icon of trust in mobile banking in the country," he said.

The MFS provider has aimed to promote cashless and universal banking, meaning anytime and anywhere payments and transactions using mobile phones in Bangladesh.

The service will cater to all customers alongside corporate and government payments, such as for merchant shopping, insurance and utility bills and passport fees and allow fund transfers, availing cash from agents, adding money from banks and so on.

Wheat import drops for pandemic

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Wheat production in almost all countries worldwide has declined due to the ongoing pandemic, Abul Bashar, chairman of BSM Group, one of the country's top wheat importers, told The Daily Star.

"We imported slowly due to the price hike in international markets. Besides, suddenly our country's demand has declined due to the ongoing pandemic," he said. "However, the demand for wheat has seen an upward trend due to changing food habits and increased demand and export of baked goods over the last decade," he added.

IndexMundi, a facts and statistics data portal, ranks Bangladesh sixth among wheat importers, 18th in consumption and 34th in production in the world.

Economists say inflation won't last

REUTERS
Executives who run companies making everything from airplane parts to cars and steak burritos are at odds with economic policy makers on how durable the recent surge in US inflation will be and see higher prices hitting margins and profits through the remainder of this year, if not longer.
Rising inflation has been the immediate focus of Federal Reserve officials and other global policy makers in recent weeks. There is a growing divide between those worried prices may be increasing too quickly and those arguing that economies need much more time to grow.

The International Monetary Fund said on Tuesday it views inflation pressures as the transitory result of "supply-demand mismatches" as economies reopen, with inflation expected to return to pre-pandemic ranges in most countries in 2022.

Still, it warned that persistently high inflation readings could lead to a "reassessment" of the monetary policy outlook by the Federal Reserve and other central banks in advanced countries.

A global survey of nearly 500 economists taken this month also concluded recent rising inflation in key economies around the world would be transitory. Over 70 per cent of economists, or 152 of 209, said the current

upturn in global inflation was transitory, the Reuters poll showed.

Big corporations, however, are increasingly sounding the alarm in quarterly earnings reports as they struggle to cope with supply chain disruptions and labor shortages that are pushing up prices as economies rumble back to life after Covid-19.

General Electric Co Chief Executive Larry Culp said on Tuesday his industrial conglomerate is facing inflationary pressure that will intensify in the remainder of the year. Culp joins executives at other manufacturers who see an overheating economy.

People are "questioning whether, you know, what we're seeing in terms of upward prices is permanent or transitory" US aerospace manufacturer Raytheon Technologies Corp Chief Financial Officer Neil Mitchell told Reuters in an interview. But he said he needed more time to see how it plays out and "where the Fed comes out in that regard."

Competitor Lockheed Martin Corp CFO Kenneth Posnerriede said on Monday the price of the most popular version of the F-35 fighter jet could increase, citing inflation.

Last week, Harley-Davidson Inc told investors it has a 2 per cent pricing surcharge on some bike models in the United States to mitigate mounting costs due to raw material price inflation. The owner of the 118-year-old motorcycle brand also warned that soaring raw material prices and supply chain and logistics bottlenecks would hurt its earnings in the second half of the year.

Others are saying rising prices will be harder to offset. Restaurant chain Chipotle Mexican Grill Inc's profits were lifted by menu price increases in the second quarter, a benefit that will be offset in the near-term by higher beef and freight costs.

Similarly, global consumer conglomerate Unilever Plc last week warned that surging commodity costs would squeeze its full-year operating margin as a full spectrum of input costs rises on higher freight, packaging and distribution costs.



A vegetable seller checks sweet potatoes at a greengrocery store in a street market, in Buenos Aires, Argentina on June 15.

Home appliance assemblers turning into manufacturers

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"This policy support will help manufacturers strengthen the capacity and will benefit the consumers ultimately," said Tanvir Rahman, chief executive officer of Walton Air Conditioner.

"As consumers pay the VAT, the impact of the exemption will benefit them directly in terms of prices."

The price of ACs has become more reasonable thanks to the local production, he said.

According to NBR officials, companies such as Walton Hi-Tech,

RFL, Fair Electronics, Unitech BD Ltd, Elite Hitech, Rancon Motors, Minister Hitech Park, Jamuna Electronics, Trade International Industries Ltd, and Butterfly Marketing Ltd have received the VAT-exemption.

Walton and Elite Hitech have completed the construction of the AC manufacturing facility, officials of the companies said. Walton can manufacture 300,000 units of refrigerators per year.

"Except for compressors, all major parts and components are

manufactured at the Walton factory," Rahman said.

He said more companies would be keen on local production, and consumers would access good quality products at reasonable prices.

Noor Alam, deputy managing director of Elite Hitech Industries, said the extension of the VAT exemption for AC manufacturing would play a key role in developing the local industry and attract long-term investment in technology and product research and development.

5 lakh return since onset of pandemic

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According to the information, 4.80 lakh migrant workers have come back. Based on that, it was said that about five lakh expatriates have returned, she said.

Some of the workers have also found jobs in the overseas markets, Khan said.

"We are beginning the project by considering two lakh workers. But we will take projects to cover all of them."

The government will prepare a database on migrant workers, outlining their host countries and their skills.

Apart from the one-off cash assistance, each of the targeted beneficiaries would be allocated Tk 5,000 to receive training from reputed training centres to turn them into skilled workers for overseas jobs.

"We will counsel them on how to secure loan facilities," the planning commission member said.

Planning Minister MA Mannan said the prime minister appreciated the project for employment generation in the informal sector aiming to reintegrate the migrant workers, reported UNB.

"The expatriates who returned home contributed a lot to the country. Now the country will have to provide support to them," Mannan quoted the prime minister as saying.
State Minister for Planning Prof

M Shamsul Alam said a database of all returnee migrant workers would be created and assistance would be provided considering their financial state.

According to a recent survey by the Brac Migration Programme, 47.23 per cent of the migrant workers do not have any income. Besides, 98 per cent were under serious stress due to inadequate earnings, unemployment and inability to reintegrate into society.

Of the project cost, the World Bank will provide Tk 425 crore. The Wage Earners Welfare Board of the expatriates' welfare ministry will implement the project from 2021 to 2023.

Ten development projects involving an estimated cost of Tk 2,575.42 crore got approval at the meeting. Seven of these projects are new, while the remaining three are revised ones.

The new projects include Modernisation and expansion of the services and research facilities of the Institute of Tissue Banking and Biomaterial Research project involving Tk 173.80 crore; the construction of three underpasses and Paduar Bazar intersection U-Loop on Dhaka-Chattogram National Highway project with Tk 568.93 crore; and the protection of the left bank of the Padma River on the downside of the Padma Multipurpose

Bridge in various locations under Louhajang and Tongibari upazilas of Munshiganj involving Tk 446.12 crore.

A full-fledged child cardiology and child cardiac surgery unit will be set up at the Bangabandhu Sheikh Mujib Medical University at the cost of Tk 72.09 crore.

The meeting approved a Tk 146.87 crore project to construct the Bangladesh Chancery Bhaban at Canberra in Australia and a Tk 98.61 crore project to set up the BSCIC food processing estate in Thakurgaon.

The three revised projects are: up-gradation of district highways into proper standard and width (Mymensingh Zone) (1st revised) with an additional cost of Tk 111.58 crore; district-based computer training for women (3rd revised) project with an additional cost of Tk 31.82 crore; and reconstruction or replacement of iron bridges in the southern region (1st revised) project at an additional expenditure of Tk 498.30 crore.

Give priority to new clients: BB

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As much as 98 per cent of the fund allocated to the service and industrial firms located outside of the zones has been disbursed by June 20 this year.

Boeing posts first profit in almost two years

REUTERS
Boeing Co on Wednesday posted its first quarterly profit in almost two years, as deliveries of its best-selling 737 MAX jets to airlines gained traction amid a sharp rebound in travel bookings following an increase in global Covid-19 vaccinations.

The 737 MAX is integral to Boeing's financial recovery, as the US planemaker scrambles to recoup billions of dollars in lost sales from the pandemic, push past the safety scandal caused by two fatal 737 MAX crashes, and deal with structural defects of its bigger, more profitable 787 planes. Boeing shares were up nearly 6 per cent at \$235.18 in early trading following the results, which were also fueled by higher defense and services sales.

Unilever profit falls 26pc in Q2

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sales increased 11 per cent to Tk 204 crore. However, profits dropped 29 per cent to Tk 22.38 crore.

The profit fall mainly resulted from a lower gross margin due to a duty increase in dry mix ingredients (DMI) from 15 per cent to 25 per cent and significant reduction in finance income, said the company in its financial highlights.

Yesterday, the financial statements were approved at its board meeting.

In the first half of the year, its net finance income nosedived 87 per cent to Tk 1.31 crore from Tk 10.77 crore a year earlier.

The finance income dropped as banks offered lower interest rate on bank deposits, clarified the company.

From April 1, 2020, scheduled banks implemented a single digit interest rate of 9 per cent for all kinds of loans and 6 per cent on deposits.

Abiding by the central bank order, they have been offering the lower rate.

Net operating cash flow per share increased by 146 per cent in the half yearly period for a change in its distribution model following the acquisition by Unilever, with a majority of sales done are on a cash basis, added Unilever Consumer Care.

Yesterday, stocks of Unilever Consumer Care closed 0.36 per cent higher at Tk 2,922 at Dhaka Stock Exchange. Earlier in 2018, GSK Bangladesh, a subsidiary of British multinational GSK Plc, shuttered its 60-year-old pharmaceuticals business in Bangladesh.

Last year, Unilever bought more than 82 per cent of GlaxoSmithKline's (GSK) health food and drinks business in Bangladesh from Setfirst, a corporate director of the company.