Nagad service points at every upazila

STAR BUSINESS DESK

Nagad, the mobile financial service (MFS) wing of Bangladesh Post Office, has till date launched 599 service points, with at least one in every upazila of the country, to resolve problems faced by customers.

The initiative began in March this year at e-centers of 30 post offices, says a press release.

"Nagad always works about innovations. Nagad has been established to solve the problems of the common people and make their lives easier," said Managing Director Tanvir A Mishuk.

The MFS operator has over 5.4 crore subscribers who transact around Tk 700 crore every day.

US energy firms strain to shake off hurricane's toll

REUTERS, *Houston*

US oil and gasoline firms strained to get offshore operations again up and operating on Thursday because the extent of Hurricane Ida's damages grew to become extra obvious.

Ida's 150-mile-per-hour (240 kph) winds delivered a direct hit to the nation's energy infrastructure. About 80 per cent of the Gulf of Mexico's oil and gasoline output remained offline in a whole bunch of platforms and rigs as energy firms struggled to full aerial surveys and return employees due to damages to onshore terminals and base websites.

Just a few firms, together with BHP and Murphy Oil, took first steps for restarting offshore manufacturing. But they had been within the minority.

Just 39 of the 288 platforms evacuated final week had obtained new crews by Wednesday, in accordance to the US Bureau of Safety and Environmental Enforcement.

Some pipeline and oil processing services had been in a position to resume operations. But most had been hampered by energy outages, lack of providers and damages attributable to the highly effective winds. Port Fourchon, Louisiana, an important heart of offshore logistics, was left without energy and water and its roads closed to all however emergency automobiles.

"The area is completely devastated," stated Tony Odak, chief working officer of Stone Oil Distributor, a high provider of gasoline to the offshore trade. His firm was relocating some actions to western Louisiana as a part of its restoration plan.

The storm's severity was introduced into focus by damages suffered by a drill ship that was tossed by Ida's winds. Shaken crew members on Noble Corp's Globetrotter II appealed to the US Coast Guard for assist, which stated it despatched a cutter and plane to escort the vessel to port.

More than two dozen oil tankers scheduled to discharge imported crude for Louisiana refineries or load oil for exports anticipate delays, in accordance to tanker monitoring knowledge and delivery sources.

Seven oil refiners that produce gasoline and different motor fuels may very well be out of operation for up to 4 weeks due to a scarcity of energy and water. The storm knocked out crops in southeast Louisiana operated by Marathon Petroleum, Phillips, Valero Energy and PBF Energy.

"Like everyone else, we are waiting on the results of the utility's damage assessment and their plans for re-energizing the grid," stated Michael Karlovich, a spokesman for PBF Energy, which shut its 190,000-barrel-per-day Chalmette, Louisiana, refinery on Sunday.

Refinery operators that safely idled services forward of the storm face a harmful and delicate activity of firing up large boilers and stress vessels used to produce gasoline.

US Gulf offshore crude manufacturing accounts for about 16 per cent of day by day US output. As of Wednesday, 1.46 million barrels of day by day manufacturing had been offline, together with 1.9 billion cubic toes per day of manufacturing.

A parking sign lies on the street as Hurricane Ida makes landfall in Louisiana, in New Orleans, Louisiana, US on August 29. REUTERS

Oil rises on declining inventories

REUTERS

Oil prices edged higher on Thursday, supported by a sharp decline in US crude stocks and a weaker dollar, though gains were capped by an OPEC+ decision to stick to its policy of gradually increasing output.

Brent crude was up 45 cents, or 0.6 per cent, at $72.04 a barrel by 1101 GMT and West Texas Intermediate (WTI) crude rose 39 cents, or 0.6 per cent, to $68.98.

US crude inventories dropped by 7.2 million barrels last week, the Energy Information Administration said on Wednesday.

Hurricane Ida, meanwhile, has affected about 80 per cent of the Gulf of Mexico's oil and gas output. Oil refineries in Louisiana could take weeks to restart.

"Crude oil processing will probably take considerably longer to recover from the outages than crude oil production, which suggests that crude oil stocks will increase in the coming weeks," said Commerzbank analyst Carsten Fritsch.

The Organization of the Petroleum Exporting Countries (OPEC) and allied producers including Russia, together known as OPEC+, agreed on Wednesday to continue a policy of phasing out record production reductions by adding 400,000 barrels per day (bpd) to the market.

OPEC+ also raised its demand forecast for 2022 and faces pressure from the United States to accelerate production increases. US President Joe Biden's administration said it was "glad" the group had reaffirmed its commitment to raising supply.

"What is not so certain … is whether demand will be able to grow as quickly as OPEC+ and the market predicts," said Rystad Energy's head of oil markets, Bjornar Tonhaugen, citing the risk of further coronavirus lockdowns to counter new variants of the virus.

Optimism for economic recovery from the pandemic and a positive performance from stock markets also lent some support to oil.

"Although oil is lagging equities, its downside is clearly limited by the general confidence surrounding the global economy despite consistent fears of the prolonged spread of the coronavirus," said Tamas Varga, oil analyst at London brokerage PVM Oil Associates.

Brazil's economy contracts in Q2

AFP, *Sao Paulo*

Brazil's economy performed worse than expected in the second quarter of 2021, contracting 0.1 per cent in the latest sign the Latin American giant's pandemic recovery has lost steam.

Analysts had forecast growth of around 0.2 per cent, but the economy appeared to take a hit from high unemployment, surging inflation and a bad drought that is raising concerns about electricity supply from crucial hydropower plants.

The reversal from the first quarter's surprisingly strong 1.2 percent growth is bad news for President Jair Bolsonaro as he battles slumping popularity in the build-up to elections in October next year.

Hit hard by the drought in the south and central-west, the agribusiness sector registered the worst output contraction for the April-June period, shrinking 2.8 per cent, said the national statistics institute, IBGE.

Industry retreated 0.2 per cent, while the service sector expanded 0.7 per cent, it said.Analysts had been upbeat on Latin America's biggest economy after Brazil's better-than-expected first quarter.

But the outlook has recently turned bleaker, with unemployment stubbornly high at 14.1 per cent, inflation soaring to 8.99 per cent -- well above the central bank's target ceiling of 5.25 per cent -- and the worst drought in nearly a century fueling fears that electricity shortages could be on the horizon.

Brazil depends on hydro power for around two-thirds of its electricity capacity.

Record drop in Spanish joblessness as tourists return

AFP, *Madrid*

Spain posted Thursday a record drop in jobless figures in August as the labour market was buoyed by recovery of the tourism sector thanks to a relaxation of pandemic restrictions.

The number of people registering as jobless fell by 82,583, or 2.42 per cent, from July, the sixth consecutive monthly decline and the sharpest reduction in the month of August since the statistical series began in 1996, the labour ministry said.

The total number of unemployed stood at 3,333,915 million people.

"This is great news, which confirms that we have overcome the worst of the crisis," Labour Minister Yolanda Diaz tweeted, adding the government must now "ensure that the recovery is fair and balanced".

While employment rose across all sectors except for construction, the bulk of those who found a job, 46,224, work in the service sector which is dominated by tourism.

The arrival of foreign tourists to Spain jumped by 78.3 per cent in July over the same time last year to 4.4 million, although the numbers remain far from the levels reached in the same month in 2019 before the pandemic.

Official figures for the month of August are not yet available but several sector leaders have said there was a sustained recovery in tourism activity as Spanish holidaymakers made up for the absence of foreign visitors.

The Spanish government has said it was hoping to attract around 45 million tourist visits this year, approximately half the figure for 2019.

Before the pandemic hit in spring 2020, Spain was the world's second-most popular tourist destination after France, and the sector accounted for around 12 per cent of the economy.

Spain's unemployment rate fell in the second quarter to 15.3 per cent from 15.9 per cent in the first quarter, according to National Institute of Statistics, which uses a survey method that catches people who are not registered for unemployment benefits.

The Spanish economy contracted by 10.8 per cent in 2020, one of the worst results among industrialised countries, but it returned to growth in the second quarter this year.

The government expects growth of 6.5 per cent this year overall.

REUTERS/FILE

Tourists wearing protective face masks walk with their luggage as they arrive at Malaga-Costa del Sol Airport, in Malaga, Spain on June 7.

US trade deficit shrinks in July

REUTERS, *Washington*

The US trade deficit narrowed more than expected in July as imports declined likely because of shortages and a shift in domestic spending from goods to services.

The Commerce Department said on Thursday that the trade gap fell 4.3% to $70.1 billion. Data for June was revised to show the deficit at $73.2 billion instead of $75.7 billion as previously reported.

Economists polled by Reuters had forecast a $71.0 billion deficit. Imports slipped 0.2% to $282.9 billion. Goods imports dropped 1.2% to $236.3 billion, likely restrained supply constraints. Demand is also rotating to services from goods amid vaccinations against COVID-19.

Exports increased 1.3% to $212.8 billion in July. Goods exports shot up 1.8% to $148.6 billion.

If sustained, the narrowing trade deficit could see trade contributing to gross domestic product growth in the third quarter after being a drag on GDP for four straight quarters.

But, with businesses desperate to rebuild inventories, which were depleted in the first half of the year, July's decline in goods imports could be temporary.

Growth estimates for the third quarter are converging around a 5% annualized rate. The economy grew at a 6.6% pace in the second quarter.

ByteDance to downsize fintech business

REUTERS, *Beijing*

Beijing-based ByteDance, the owner of TikTok, said on Wednesday that it would shrink its financial services unit and that it planned to sell its stock broking operations amid China's tightening grip on the financial technology (fintech) sector.

ByteDance operates Songshu Zhengquan, which translates to Squirrel Securities, in Hong Kong, and Haitun Gupiao, or Dolphin Stocks, in mainland China.

China recently has been tightening scrutiny towards the fintech sector, requiring companies to set up financial holding companies if they meet requirements to do so, as Alibaba's (9988.HK) fintech affiliate Ant Group was forced to do earlier this year, a move that tightens capital requirements.

Sources have said that ByteDance has never prioritised fintech expansion, and that it has focused on sectors including e-commerce and gaming as its new sources of growth.

ByteDance also operates Douyin Pay, its own third-party mobile payment, to facilitate users on e-commerce transactions on short video app Douyin, the Chinese version of TikTok.

China's two ubiquitous third-party mobile payment channels, Ant's Alipay and Tencent Holdings' WeChat Pay, are also available on Douyin.

Invest remittance wisely, let your money grow

FROM PAGE B1

Currently, about one crore migrant workers are employed in Saudi Arabia, the UAE, the US, the UK, Malaysia, Singapore and South Korea and some European countries.

Other than money transfers, the lenders operating in Bangladesh also offer the country's migrant workers a number of investment and savings opportunities that can be availed from abroad.

Brac Bank has its Probashi Savings (interest-bearing), and Probashi Current (non-interest bearing) account facilities. It also has a Probashi Subidha Account for the account's beneficiaries, such as the migrant worker's wife, parents or children.

Similarly, Islami Bank Bangladesh Ltd (IBBL), which handles one-third of the country's inward remittance, has several deposit and investment products for expatriates.

Other than the regular deposit schemes, it has its Mudaraba NRB Savings Bond Account and Mudaraba Foreign Currency Deposit Account.

"The non-resident Bangladeshis (NRBs) who have been serving abroad and their family members will be eligible to purchase the Mudaraba NRB Savings Bond," said Mohammed Monirul Moula, managing director of IBBL.

Expatriates may even purchase the bond under the names of their minor children, he added.

With a view to encouraging the NRBs to invest their hard-earned money in productive sectors, IBBL introduced the NRB Entrepreneurs Investment Scheme.

"Besides these specialised deposits and investment schemes, NRBs can avail all other types of savings and investment schemes with our bank," Moula said.

Bangladesh Bank has three types of bonds where NRBs and migrant workers can invest and enjoy different interest rates.

The bonds are wage-earner development bonds (WEDBs), which offer an interest rate of 12 per cent on a half-yearly basis with a five-year tenure.

The Dollar Investment Bond (DIB) offers an interest rate of 6.5 per cent, also on a half-yearly basis, and matures in three years.

The Dollar Premium Bond (DPB) carries an interest rate of 7.5 per cent, and the tenure is three years.

Of these bonds, most migrant workers prefer WEDBs for their higher interest rate, according to a senior central bank official.

However, these bonds can only be purchased with taka and Bangladesh Bank has capped the investment ceiling at Tk 1 crore while the minimum investment is set at Tk 25,000.

One can purchase WEDBs from abroad through a designated bank branch while forms are also available on the Bangladesh Bank website.

Stocks hit another record high

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As the benchmark index of the DSE was close to 7,000 points while many stocks are overvalued, investors should be cautious over choosing stocks, he added.

Tamijuddin Textile Mills topped the gainers' list, rising 9.98 per cent, followed by Samata Leather Complex, Active Fine Chemicals, Premier Cement and Hakkani Pulp & Paper Mills.

Green Delta Mutual Fund shed the most, losing 9.3 per cent, followed by DBH First Mutual Fund, Purabi General Insurance Company, Beach Hatchery and Aman Feed.

Stocks of Beximco were traded the most, worth Tk 153 crore, followed by Bangladesh National Insurance Company, Beximco Pharmaceuticals, GPH Ispat, and LafargeHolcim Bangladesh.

Chittagong Stock Exchange (CSE) also rose yesterday. The CASPI, the general index of the port city bourse, edged up 171 points, or 0.85 per cent, to 20,328.

Among the 323 stocks to undergo trade, 183 rose, 105 fell and 35 remained unchanged.

Nasir Glass faces Tk 11cr VAT evasion charge

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This brings the amount of VAT payment evaded during the investigation period to about Tk 11.22 crore while interest Tk 3.44 crore, taking the total to about Tk 14.66 crore.

The case has been sent to a VAT Commissioner (Dhaka North) concerned for necessary legal action, said the statement.

The VAT commissioner concerned has also been requested to monitor the company's activities, it added.

This correspondent tried to contact Nasir Uddin Biswas, chairman and managing director of Nasir Group, over the phone for comment but he could not be reached by the time this report was filed.

Bangladesh finally a member of Brics' New Dev Bank

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"We are delighted to welcome Bangladesh, one of the world's fastest growing economies, into the NDB. Bangladesh joining us in the year it celebrates the 50th anniversary of its independence is an important milestone," said Troyjo in a statement yesterday.

"Bangladesh's membership in the NDB has paved the way for a new partnership at a momentous time of the 50th anniversary of our independence," said Finance Minister AHM Mustafa Kamal.

"Membership in the NDB is an important step forward in meeting the development vision of Prime Minister Sheikh Hasina," he said.

Bangladesh looks forward to working closely with the NDB to build together a prosperous and equitable world for the next generation as dreamt by Bangabandhu Sheikh Mujibur Rahman, he said.

Through the NDB, Bangladesh will have a new platform to foster cooperation in infrastructure and sustainable development with Brics and upcoming new members.

Membership with the NDB becomes effective once the admitted country completes its domestic processes and deposits the instrument of accession.

Since its establishment, the NDB has approved about 80 projects in all of its member countries, totalling a portfolio of $30 billion. Projects in areas such as transport, water and sanitation, clean energy, digital infrastructure, social infrastructure and urban development are within the scope of the bank.

The NDB's membership expansion is in line with the bank's strategy to become the premier development institution for emerging market economies.

It has an authorised capital of $100 billion, which is open for subscription by members of the United Nations.

Exports rebound strongly in Aug

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However, the high yarn prices in the local market is detrimentally affecting the garment sector despite the unexpected rise in work orders, he said.

The spinners should not increase yarn price rate from the $4.20 per kilogramme promised last week, Hatem also said.

During the July-August period, earnings from live and frozen fish grew by 18 per cent to $87.97 million, leather and leather goods by 13 per cent to $174.71 million and home textile export by 4 per cent to $175.06 million, said the data. However, jute and jute goods export declined by 35 per cent to $127.67 million, said the data.