

SUSPICIOUS TRANSACTIONS

Nagad unblocks all but 8 accounts

STAR BUSINESS REPORT

Nagad yesterday said it unblocked all but eight accounts, including that of the chief executive officer of digital commerce company Sirajganj Shop, which were alleged to have been involved in a "scam".

The mobile financial service (MFS) provider had blocked some 18,000 accounts two weeks ago after suspicions were raised over unusual transactions with some e-commerce platforms, a move that proved troublesome for Nagad users.



The MFS provider also handed over information involving the eight accounts to regulators and law enforcement agencies.

"After multiple analysis and scrutiny, except eight confirmed accounts involved in a scam, all other Nagad account which were automatically put on balance-on-hold for unusual transactions, were reactivated on Wednesday," Nagad said yesterday.

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BGMEA seeks better cargo-handling services at airport

STAR BUSINESS REPORT

Bangladesh Garment Manufacturers and Exporters Association (BGMEA) yesterday urged the government to improve cargo-handling services at Hazrat Shahjalal International Airport to boost apparel exports.

A delegation of BGMEA led by its acting president, SM Mannan, made the request to Md Mahub Ali, state minister for civil aviation and tourism, during a meeting held at the secretariat in Dhaka.

In the meeting, the BGMEA leaders said the number of explosive detection scanner (EDS) should be increased at the airport to speed up the process of scanning export cargoes, the association said in a statement.

They also stressed on regularly carrying out maintenance of the existing EDS in order to keep them operational as the technical glitches often hamper the scanning process.

The BGMEA delegation called on bringing garment items inside the cargo village or canopy immediately after unloading those from aircraft, so that they are not damaged due to rain.

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Sonali chicken a game changer for Joypurhat farmers

DISTRICTS IN FOCUS

KONGKON KARMAKER

The poultry industry in Rajshahi's Joypurhat district has grown expeditiously over the past two decades thanks to the breakthrough breeding of Sonali chicken, a cross-breed of Rhode Island Red cocks and Fayoumi hens.

This breed of chicken caters to about 50 per cent of the country's demand for poultry meat and eggs while the industry as a whole has created many job opportunities for previously unemployed youths in the country.

Under the supervision of the Joypurhat Department of Livestock Services, Sonali chickens were first bred about 21 years ago at the Chicken Breeding Development Farm in Jamalpur union, now known as the poultry capital of the district.

Nani Gopal Barman, the farm's deputy director, said Joypurhat was once the most poverty-stricken district in the country.

"But Sonali chicken has brought a revolutionary change," he added.

Md Shah Jamal, former deputy director of the Chicken Breeding Development Farm, said he worked hard to persuade local youths to engage in poultry farming.

As such, the youths were given training and two decades later, poultry farming has become a Tk 30,000 crore industry in Joypurhat, where around 2.5 lakh youths are engaged with the business.

Besides, this success has turned Sonali chicken into an official brand, Jamal said.

According to officials of the livestock department in Joypurhat, there are 11,570 large and small-scale poultry farms in the district that were dedicated to producing meat while 360 others were layer farms, which also focus on egg production.

These farms collectively produce about 1.25 lakh tonnes of poultry meat annually against a local demand of 6,000 tonnes.

So, the rest is sold to other districts, they said.

Meanwhile, the 360 layer farms produce 39 crore eggs annually against a local demand of 9.88 crore while the rest is shipped elsewhere.

There are also 52 large-scale incubator factories that hatch 8.50 crore chicks annually alongside 11 feed factories in Joypurhat, where 6.25 crore chicks are



PHOTO: KONGKON KARMAKER

Sonali chicken caters to about 50 per cent of the country's demand for poultry meat and eggs while the industry as a whole has created many job opportunities for previously unemployed youths in the country. The photo was taken from Jamalganj village in Joypurhat.

bought for rearing each year.

"Everything is set up as a combined factory," said Anwarul Haq Anu, president of the Joypurhat Chamber of Commerce and Industry (JCCI) and a poultry entrepreneur.

During a visit to the district's Jamalganj village last Tuesday, this correspondent found that more than one lakh Sonali chickens were being reared in hundreds of multistorey buildings all around.

Such farms are also available in many other nearby districts and as such, Sonali chicken farming has turned into a widespread practice.

However, the coronavirus-induced economic downturn brought the industry's growth rate to a crashing halt.

At least 2,000 small or marginal farms have closed permanently after failing to survive the hardships brought on by Covid-19 as the industry suffered a collective loss of Tk 300 crore.

Monsur Rahman of Jamalganj village said he built a farm 15 years ago. He had been getting good returns since then but ultimately suffered a Tk 3 lakh loss due to Covid-19.

According to the farmer, he was forced to sell off 4,000 Sonali chickens for just Tk 130 per kilogramme (kg) in a bid to recoup production costs.

The situation was similar for other farmers.

Mansur Rahman, another poultry farmer, said he received Tk 9,500 as cash support from the government but this amount was insufficient to resume operations as he needs Tk 10 lakh to restart his farm.

Likewise, this correspondent found that many other small-scale farms were practically empty.

Many farmers said they have been trying to secure sufficient loans to resume their businesses as the coronavirus situation has improved since September 1.

Ahsan Kabir, owner of Ahsan Traders, a poultry farm at Jamalganj village, said his farm has the capacity to accommodate 40,000 chickens but he reduced that number to 26,000 in a bid to evade losses.

Besides, feed costs were high during the nationwide lockdown phase and Kabir suffered losses of Tk 3.5 crore during that period. But despite these hardships, he received just Tk 22,500 in cash support from the government.

Kamrul Islam Shahin, manager of Kabir's farm, said many farms of marginal entrepreneurs had closed as their investment got stuck during the pandemic.

JCCI President Anwarul Islam Anu said the industry faced enormous losses due to Covid-19 while suggesting that ensuring easy access to bank loans could help solve the problem.

"It is not possible to stay afloat without support," he added.

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GLOBAL BUSINESS

Eurozone growth slows: survey

AFP, Brussels

Economic growth in the eurozone stumbled in September, a closely watched survey said Thursday, as supply chain bottlenecks, high prices and the spread of the coronavirus Delta variant hurt output.

"Eurozone business activity grew at a markedly reduced rate in September, reflecting the peaking of demand in the second quarter, supply chain bottlenecks and concerns over the ongoing pandemic," IHS Markit said. The purchasing managers' index (PMI), which measures corporate confidence, slipped to a still strong 56.1 in September, after posting 59 points in August.

A figure above 50 indicates growth. IHS Markit said the increase in activity was the slowest since April, when pandemic-linked closures still weighed heavily on Europe, but remained well above the pre-Covid longer-term average.

"For now, the overall rate of expansion remains solid, despite slowing, but growth looks likely to weaken further in coming months if the price and supply headwinds show no signs of abating," said Chris Williamson, chief economist at IHS Markit. This would be true, he added, "especially if accompanied by any rise in virus cases as we head into the autumn".

He warned that European firms were feeling the supply pinch and have become "increasingly frustrated", with companies expressing worry of losing customers.



The headquarters of the European Central Bank in front of the Frankfurt skyline with the finance district, the river Main and the container harbour.

AFP/FILE

Fed warns of 'severe damage' if senators allow debt default

AFP, Washington

The chairman of the US Federal Reserve called on lawmakers to raise the nation's borrowing limit urgently on Wednesday, warning that failure to pay government debts would do "severe damage" to the economy.

"It's just very important that the debt ceiling be raised in a timely fashion so the United States can pay its bills when it comes due," Jerome Powell said as the central bank concluded its September meeting.

Failure to pay, he added, is "just not something we can contemplate."

"Powell's admonition came after six former US Treasury secretaries also urged the Senate to overcome the impasse "without delay" to avoid the harmful fallout should Washington default on its debt.

However, the plea for quick action looks set to fall on deaf ears, as the opposition leader in the Senate has steadfastly refused

to cooperate with the ruling Democrats to increase the debt ceiling.

That could lead to chaos in financial markets, officials have warned.

The Democratic-controlled House of Representatives passed a measure that would suspend the debt limit until after next year's midterm elections and fund government operations until December 3.

But it is now stuck in the Senate, which has until September 30 to take action to avoid a shutdown and a second deadline of mid-to-late October to suspend the debt ceiling. Powell warned that "no one should assume that the Fed or anyone else can protect the markets or the economy in the event of a failure" by the United States to service its debts.

And the group of former finance ministers said in a letter to congressional leaders of both parties that even a short-lived default could threaten economic growth.

Bank of England on guard against spiking inflation

AFP, London

The Bank of England is expected to stay the course on interest rates and stimulus on Thursday, despite soaring inflation and fears of runaway domestic energy costs.

The British central bank's monetary policy committee is likely to keep its key rate at a record-low 0.1 per cent.

Annual inflation surged in August to a nine-year high of 3.2 per cent after the pandemic-hit economy reopened.

Policymakers will be mindful of Britain's flat recovery, and the impact of the end of the government's furlough jobs support scheme next week.

The recovery slowed sharply in July, as rising coronavirus cases and supply shortages offset a further lifting of lockdown restrictions. "Recent downside news on economic activity will counterbalance the upside news on inflation," said Pantheon Macro analyst Samuel Tombs, predicting no change in policy from the BoE.

The British central bank has warned that inflation could soon strike 4.0 per cent -- double its target -- impacted by a global supply crunch that was sparked by the pandemic.

Yet the BoE argues that high inflation will be temporary, echoing the US Federal Reserve and the European Central Bank.

Ratings agency cuts China growth forecast

AFP, Beijing

Ratings agency Fitch on Thursday cut its growth forecast for China's economy this year citing a slowdown in the country's colossal property sector, which is also facing headwinds over faltering real estate giant Evergrande.

China enjoyed a swift economic rebound from the Covid-19 pandemic, but strict new rules on the country's developers have caused a deleveraging rush and helped push housing giant Evergrande to crisis point.

Financial markets have tumbled over fears that the Chinese group could collapse, leading to possible contagion in the world's second-biggest economy and beyond.

Fitch Ratings said it expected growth to come in at 8.1 per cent this year, compared with a previous 8.4 per cent estimate, saying the "main factor weighing on the outlook is the slowdown in the property sector".

Weakness in the property market comes after a recent bout of regulatory tightening by authorities looking to rein in surging prices and companies' excessive borrowing.

Beijing has cracked down on developers in a bid to force them to offload debt, introducing its "three red lines" to curb leverage last year.

"Housing starts are falling and financial pressures are weighing on real-estate

investment," Fitch said in its latest report. "Residential investment directly accounts for around 10 per cent of GDP and property activity has large spill-overs to other industries," it added.

The property slowdown is also expected to hit emerging markets, taking a toll on global commodity demand.

On Wednesday, Chinese premier Li Keqiang called for efforts to keep the economy running steadily, state media reported.

A State Council meeting he chaired underlined measures to promote consumption, stabilise commodity prices and maintain growth of foreign investment and trade.

Anxious investors were keeping tabs on whether Evergrande makes a payment on an offshore bond due Thursday.

Global markets were roiled earlier this week by worries that the firm did not have enough cash to even service its debts, raising warnings it would default and lead to a possible collapse.

However, hopes that it could avert a disorderly debt resolution were boosted Wednesday when it announced it had reached a deal to repay interest on a separate, domestic bond that was also due Thursday. Still, even if it does not stump up the cash to overseas bondholders, it has a 30-day grace period to find it.



China's leadership has unveiled a series of measures to crack down on the country's vast property sector.

AFP/FILE