

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES				
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY	
0.36%	0.63%	\$1,760.36	\$79.28	0.61%	2.31%	1.15%	0.90%	84.55	97.02	113.70	12.91	
7,356.04	12,917.26	(per ounce)	(per barrel)	58,765.58	28,771.07	3,051.11	3,568.17	BUY TK	85.55	100.82	117.50	13.58



# Star BUSINESS

DHAKA MONDAY OCTOBER 4, 2021, ASHWIN 19, 1428 BS • starbusiness@thedailystar.net

## Is higher inflation knocking at the door?

SOHEL PARVEZ

If you regularly follow the kitchen market or inquire a neighbourhood grocery about prices, you are likely to get an obvious answer: the prices of a number of commodities are on the rise.

The daily market price data compiled by state-run Trading Corporation of Bangladesh (TCB) will give a clearer picture of what is going on in the market. The prices of rice, flour, edible oil, pulses, and broiler chicken meat have gone up over the last one year.

For items such as rice and chicken, domestic farming is the main source. For the rest, Bangladesh is highly dependent on the international market, where commodity prices are going up.

Oil prices have already crossed \$80 per barrel for supply disruptions and recovering demand from the coronavirus pandemic, reports Reuters.

The oil price rally to a three-year high is exacerbated by an even bigger increase in gas prices, which have spiked 300 per cent and have come to trade close to an equivalent of \$200 per barrel due to supply shortages and low production of other fuels, it added.

Apart from energy, prices of agricultural and food commodities – wheat, soybean oil and



In August, inflation went up owing to the rise in demand and the abnormal hike in transport cost following the reopening of the economy.

palm oil – soared over the last year in the international market.

It fueled price spike domestically.

A slow depreciation of the taka against the US dollar increased the import costs.

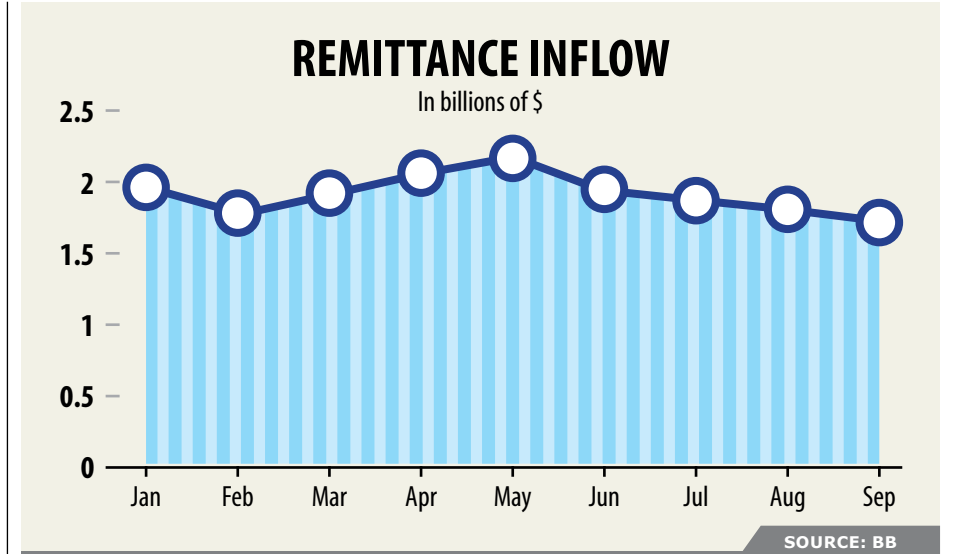
So, there is an apprehension whether higher inflation, which has already become a concern for many nations, is knocking at the door.

Economists say Bangladesh always

remains vulnerable to import-induced inflation because of its reliance on external markets for key commodities.

Inflation has picked up around the world due to higher costs of raw materials, constraints on the supply of goods, stronger consumer demand as economies reopen, and prices bouncing back from drops during the pandemic in some sectors, said the Organisation for Economic Co-operation and Development (OECD) recently.

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## Remittance sinks to 16-month low

STAR BUSINESS REPORT

Remittance flow to Bangladesh fell to a 16-month low of \$1.72 billion in September as money transfers through informal channels such as hundi might have made a comeback after a lull caused by the coronavirus pandemic.

The receipts were down 19.74 per cent year-on-year and 5 per cent from a month ago, data from the Bangladesh Bank showed.

The remittance earnings were the lowest since June 2020. Since then, the monthly inflow ranged between \$1.83 billion and \$1.78 billion until August this year.

Officials of the BB and commercial banks blamed the easing of coronavirus restrictions on movement in recent months across the globe for the decline in

remittance to Bangladesh.

As people's movement resumed, the global hundi cartel, which operates an illegal cross-boundary financial system, has become active again.

The unofficial route had faced a major disruption since the first quarter of 2020 as international travels came to a halt because of the pandemic, fueling the growth of remittance through official channels.

Many nations, including the countries where most expatriate Bangladeshis work, enforced strict restrictions on the movement to contain the spread of the virus.

Remittance, which plays a major role in strengthening the country's foreign exchange reserves, fell 19.4 per cent year-on-year to \$5.40 billion in the first quarter of the current fiscal year.

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### Brac Bank employs transgender people

STAR BUSINESS REPORT

Brac Bank has widened its workplace diversity by introducing employment opportunities for the country's transgender and physically challenged people.

As such, a total of 14 marginalised people – five from the transgender community and nine physically challenged – will be placed in different positions within the organisation based on their skill set, Brac Bank said in a statement issued yesterday.

Earlier in March this year, private television channel Boishakhi TV appointed the country's first ever transgender newscaster.

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### Panel sits tomorrow for e-commerce business policy

REFAYET ULLAH MIRDHA

The first meeting of a high-powered committee formed to recommend an e-commerce policy is going to be held tomorrow at the commerce ministry.

The committee will also make recommendations on the formulation of a draft e-commerce law and formation of an e-commerce authority, said Hafizur Rahman, additional secretary to the commerce ministry.

The ministry formed the 16-member committee on September 27 to rein in fraudulence by e-commerce firms against the backdrop of an alarming rise in complaints from consumers and merchants.

Comprising senior officials of different ministries and government agencies and leaders of some private sector trade bodies, the committee is scheduled to hold at least one meeting every month.

The commerce ministry has already identified 10 e-commerce companies involved in swindling hundreds of crores of taka.

So far, the home affairs ministry has initiated legal steps against owners of Evaly based on recommendations of the commerce ministry.

"The fate of nine other errant e-commerce companies is dependent on the investigation reports of Bangladesh Bank," said Rahman, who is also the chief of the recently formed Central Digital Commerce Cell under the commerce ministry.

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## DECEIVING SHAREHOLDERS BSEC to sue board of Shurwid Industries

### MAJOR DECISIONS



- BSEC to file case against board of directors of Shurwid Industries
- BD Thai IPO gets nod to raise Tk 15cr
- Union Bank allowed to issue 15pc share to employees
- Union Insurance will also issue 15pc share to employees

STAR BUSINESS REPORT

The stock market regulator yesterday decided to file a case against the board of directors of Shurwid Industries Ltd for recommending dividends for fiscal 2018-19 in an attempt to manipulate its share prices.

The decision came in a commission meeting held at the securities exchange building in Dhaka chaired by Prof Shibli Rubayat Ul Islam, chairman of the Bangladesh Securities and Exchange Commission (BSEC).

The PVC product manufacturer announced 10 per cent cash dividend on November 3, 2019 for the year ending on June 30, 2019. However, the company did not pay the dividend to shareholders, prompting the BSEC to form an investigation committee. The committee found that Shurwid Industries Ltd recommended the dividend despite not having the capability to pay the money.

"The company announced the dividend to cheat people," said the BSEC in a press release yesterday.

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## Form special committee to solve Evaly crisis

Some merchants, consumers say

STAR BUSINESS REPORT

The commerce ministry should form a special panel to immediately recover the money that got stuck because of Evaly, a group of the merchants and consumers of the e-commerce platform said yesterday.

Representatives from the home, finance and ICT ministries along with Bangladesh Bank, the e-Commerce Association of Bangladesh (e-Cab), some merchants, consumers and officials of Evaly can also be included in the panel to take coordinated efforts, they said.

Shutting down the company or keeping Evaly Chairman Shamima Nasrin and Managing Director Mohammad Rassel in jail will not solve the problem, they said in a statement.

They made the call and placed their 7-point demands in a press conference at the Dhaka Reporters' Unity today. Around 75 lakh people, including 74 lakh consumers, over 35,000 sellers and 5,000 temporary and permanent officials, will be in dire straits if the Evaly crisis is not solved immediately, they said.

They claimed that Evaly will be able to pay back around Tk 500 crore it owes to its merchants and consumers if the company is allowed to continue doing business.

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## Bid to boost trade with Mexico

FBCCI signs MoU with Mexican trade body

STAR BUSINESS REPORT

The Federation of Bangladesh Chambers of Commerce and Industries (FBCCI) and Mexican Business Council for Foreign Trade (COMCE) recently signed a Memorandum of Understanding (MoU) with a view to furthering the economic ties between their respective nations.

Shahriar Alam, the state minister for foreign affairs, and Abida Islam, Bangladesh's ambassador to Mexico, were present at the signing ceremony.

Md Jashim Uddin, president of the FBCCI, and Agustín García Rechy, vice president for the Asia Pacific region at COMCE, signed the agreement on behalf of their respective parties.

As per the MoU, the two organisations will help protect the business interests of both Mexico and Bangladesh through the visitation of trade delegations, increased networking and investment.

Under this initiative, both the FBCCI and COMCE agreed to increase their investments in Mexican-Bangladeshi joint-ownership enterprises, and to provide as much assistance as possible when it comes to overcoming any complications in this regard.

They will also work to encourage the participation of Bangladeshi and Mexican business entities at trade fairs, exhibitions, conferences, seminars and other business activities in both countries.

In addition, the MoU stipulates that the FBCCI and COMCE will undertake joint research activities to improve trade relations between their respective countries.

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A pile of wet blue trimmings from pieces of leather being shaped by workers at Savar Tannery Industrial Estate. The flow of work orders to the industry is rebounding strongly due to the reopening of stores of retailers and brands. The photo was taken recently.

SK ENAMUL HAQ