



Mobile financial service Nagad has recently signed a few agreements with Guardian Life Insurance Company, Rupali Life Insurance Company and Chartered Life Insurance enabling customers to easily pay their premiums through Nagad. Sheikh Aminur Rahman, chief marketing officer of Nagad, signed those agreements on behalf of the organisation.



M Reazul Karim, managing director of Premier Bank Limited, and Md Mafizur Rahman, managing director of SME Foundation, recently exchanged signed documents of an agreement to Parjatan Bhaban, Agargaon in Dhaka for distributing loans among SMEs affected by the pandemic. MA Mannan, minister for planning, Kamal Ahmed Majumder, state minister for industries, Zunaid Ahmed Palak, state minister for ICT Division, Zakia Sultana, secretary to the Ministry of Industries, and Md Masudur Rahman, chairperson of the foundation, were present.

Fresh 'best brand' of The Economic Times

STAR BUSINESS DESK  
Fresh, a concern of the Meghna Group of Industries (MGI), has been recognised as "best brand" by India-based daily The Economic Times through an online event, "The Economic Times Best Brands 2021- Bangladesh Edition", held recently. The MGI always strives to "Breaking Boundaries" in everything they do, said Director Tahmina Mostafa in a press release.

Shortages and surging prices stunt UK construction growth

REUTERS, London  
Rising prices, supply chain disruption and staff shortages put the brakes on the recovery of Britain's construction sector last month, a survey showed on Wednesday, adding to signs that economic growth has taken a hit recently. The IHS Markit/CIPS UK Construction Purchasing Managers' Index (PMI) fell to an eight-month low of 52.6 in September from 55.2 in August. A Reuters poll of economists had pointed to a reading of 54.0. The survey showed construction activity cooled across the housebuilding, commercial and civil engineering sectors.

German industrial orders slump in August

AFP, Frankfurt  
German industrial orders fell sharply in August, after a record month in July, official data released on Wednesday showed, as global supply bottlenecks pinch the economy. The indicator, which gives a foretaste of industrial activity, fell by 7.7 per cent on the upwardly revised figure for the previous month, according to the federal statistics agency Destatis. In July, orders had reached their highest point since statistics for reunified Germany began in 1991, as

demand sprung back after coronavirus restrictions were lifted in Europe's economic powerhouse. In its latest release, Destatis revised the increase in July to 4.9 per cent from its previous estimate of 3.4 per cent. Industrial orders failed to keep up the pace in August, despite showing a strong 11.7 per cent increase on a year earlier. The month-on-month drop was led by a steep 11.1 per cent decline in orders of capital goods, while consumer and intermediate goods tailed off by 2.7 and 2.8 per cent, respectively.

Orders for export fell by 9.5 per cent, with those from outside the eurozone decreasing most by 15.2 per cent. The upheaval caused by the pandemic has given rise to global shortages in components, such as semiconductors, timber and plastics, limiting production in key sectors for the German economy. Carmakers including Volkswagen have scaled back production of their vehicles in response to the limited supply of computer chips, a crucial component in both conventional and electric vehicles.



Volkswagen is among manufacturers feeling the pinch of global supply chain disruption.

Airlines warn erratic Covid rules could delay recovery

REUTERS, Boston  
Global airlines on Tuesday (Oct 5) wrapped up their first meeting since Covid-19 brought their industry to its knees, voicing optimism about pent-up demand but desperate for governments to harmonize disjointed border rules to avoid slipping back into recession. The International Air Transport Association (IATA), which groups 290 airlines, said confusion over travel restrictions were holding back the industry's fragile recovery after the pandemic plunged air travel into its worst ever downturn. "People want to fly. We've seen strong evidence of that," said Director General Willie Walsh. "They can't fly because we have restrictions that are impeding international travel." IATA expects international travel to double next year compared with the depressed levels seen during the

pandemic and reach 44 per cent of pre-crisis 2019 levels. In contrast, domestic travel is tipped to reach 93 per cent of the pre-pandemic levels. The trade group, which includes dozens of state-owned carriers, blamed that gap on wide variations in entry rules and testing requirements in the top 50 air travel markets. Even some of the airline and leasing company leaders trying to attend the industry's annual gathering in Boston were unable to travel or had to carve out extra time for quarantine. Airlines called for an end to restrictions on vaccinated travelers and for common health protocols at borders, though global coordination in aviation tends to move at a deliberate pace. "Frankly, governments haven't made it easy for airlines or for the traveling public to understand what the rules are to fly," said Joanna Geraghty, president of JetBlue which hosted the gathering in a hotel shared with domestic tourists.

WB ups Russia's 2021 GDP growth forecast

REUTERS, Moscow  
Russia's economic recovery will be stronger than expected this year but US sanctions, a poor vaccination rate and the central bank's monetary tightening will all weigh on the growth outlook, the World Bank said on Wednesday. Russia's economic rebound will outpace its neighbour Belarus, hit by Western sanctions amid a political crisis, but will be less pronounced than in other former Soviet republics such as Armenia, Georgia and Uzbekistan. After shrinking by 3 per cent in 2020, its sharpest contraction in 11 years, the Russian economy has recovered to pre-pandemic levels but is expected to lose momentum in the next few years without extra investment

that could come from state spending. The World Bank said it now expects Russia's gross domestic product to grow by 4.3 per cent in 2021 and 2.8 per cent in 2022 versus 3.2 per cent and 3.2 per cent, respectively, that it forecast in June. This year, the economy "is supported by an earlier rebound in domestic demand and elevated energy prices," the World Bank said in a report on Europe and Central Asia. In 2022, economic growth will slow as demand stabilises and industrial commodity prices can go down, it said. "The escalation of geopolitical tensions, including additional US sanctions imposed in 2021, low vaccination rates, and increases in the policy rate from record lows are weighing on the growth outlook."

EU to launch debate on members' debt caps

AFP, Strasbourg  
The European Union will launch public consultations this month on reforming budget rules that cap members' debt but were suspended due to the pandemic, the EU economic affairs commissioner said Tuesday. The Commission will launch the process on October 19, the starting point of a debate that may stretch into 2022, Commissioner Paolo Gentiloni said. The pact restricts member states from running up too much debt, but the limits have often been exceeded. Fourteen members states, for example, had debts in excess of the 60 percent of gross domestic product limit at the end of 2020, EU data shows. The commission will "set the framework for the discussion" on reform of the budget rules and "on the lessons to be learned after the Covid pandemic", Gentiloni said at a press conference in Luxembourg, at the end of a meeting of EU finance ministers. The limits -- which include capping public deficits at three percent of GDP -- were suspended to allow governments to stave off economic collapse as the pandemic battered trade, investment and business activity. With economies now returning to growth, the question arises as to whether the pact should be reinstated. This was planned for the beginning of 2023. However, with public debt surging as members increase spending to spur the pandemic recovery, some countries are calling for greater flexibility in reducing deficits. That argument is reinforced by the heavy public spending seen as vital to fund the fight against climate change in coming years. Some member states propose excluding green investments from the deficit calculations. EU countries are divided on the issue, with those in the so-called "frugal" north -- including Germany, Europe's biggest economy -- worried that they will have to foot the bill for big spenders. The imbalance within the EU is a key factor behind tensions arising from the bloc's debt crisis a decade ago. "We will come up with proposals within a certain timeframe next year. And of course we have to be ready for 2023" and the reactivation of budgetary rules, Gentiloni said.

Johnson vows revamp of UK's post-Brexit economy

AFP, Manchester  
British Prime Minister Boris Johnson rallies his Conservative party faithful on Wednesday, vowing a far-reaching overhaul to wean the UK economy off cheap foreign labour after Brexit. Shrugging off panic-buying at petrol stations, bare supermarket shelves and retailers' warnings of a bleak Christmas to come, the Tory leader says the short-term pain is worth it. "We are dealing with the biggest underlying issues of our economy and society," he is expected to say in his conference-closing speech, according to excerpts released by the party. "The problems that no government has had the guts to tackle before. "Because we are embarking now on the change of direction that has been long overdue in the UK economy," Johnson will say, vowing no return to the pre-Brexit model of "uncontrolled immigration". Instead, British businesses will have to invest in their workers and in technology to push the country "towards a high-wage, high-skill, high-productivity economy". But it will take time to transition. In the meantime, the government has grudgingly agreed to a limited number of short-term visas to lure truckers and poultry workers from Eastern Europe. For opposition parties and poverty campaigners, Johnson's commitment to "levelling up" unequal growth also jars with the ending on Wednesday of a weekly boost to benefits for the lowest-paid workers. As the prime minister put the finishing touches to his speech, protesters nearby condemned "Tory lies" and loudly played the Soviet/Russian national anthem.

Johnson's attempt to draw a line between his administration and previous governments which lacked "guts" overlooks the fact that the Conservative party has been in power since 2010. In contrast, finance minister Rishi Sunak -- seen by many observers as the heir apparent to 10 Downing Street -- is stressing continuity with the Tory tradition of fiscal rectitude. The government blames the acute labour shortages afflicting the UK economy not on its headline approach to Brexit but on the coronavirus pandemic. But the supply crisis risks undermining themes that Johnson is set to emphasise in

his conference speech, including levelling up economic growth across the UK and "Global Britain" after the EU divorce. He is also expected to talk up Britain's action on climate change and the need for global coordination, ahead of convening the two-week COP26 climate summit in Scotland from October 31. Touring exhibitors' stands at the conference on Tuesday, Johnson rode an e-bike, climbed aboard an electric tractor, and played with a puzzle to assemble a zero-carbon energy house. But at the Tory gathering as a whole, the topic of climate change has been relegated

to the backburner. Sunak said on Monday it would be "immoral" to bequeath pandemic-driven debt to future generations, but made no mention of saving those generations from a burning planet. The omission was a "damaging sign" ahead of COP26 in Glasgow, commented Rebecca Newsom, head of policy for Greenpeace UK. "Coughing up more cash for green infrastructure now would save enormous costs later and create millions of new jobs across the UK," she said. Neither did Foreign Secretary Liz Truss reference the C-word -- climate -- in her speech on Sunday, while vowing to support "greener" growth and "clean infrastructure" in developing countries. In contrast, the B-word -- Brexit -- has been a recurrent theme for delegates of Johnson's party, adamant that current problems associated with the EU split will pass. Brexit minister David Frost admonished the "anti-transport, anti-car" lobby's "anti-growth ideologies" and "persistent miserabilism". Interior Minister Priti Patel used her own conference speech on Tuesday to promise tougher action against climate protesters who have been blockading roads around London. The prime minister mocked the demonstrators as "irresponsible crusties". But Johnson's COP26 president, Alok Sharma, denied the party was soft-peddling climate change with less than a month to go before he welcomes delegates from around the world to Glasgow. "Cabinet colleagues actually understand why it's vitally important to get this right," the former business minister told a small audience on the margins of the main conference.



Johnson's government blames the acute labour shortages afflicting the UK economy not on its hardline approach to Brexit but on the coronavirus pandemic.