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THREE WHITE KNIGHTS OF ECONOMY

Agriculture, export, remittance helping country weather pandemic turbulence

SUKANTA HALDER and MD ABU TALHA SARKER

Agriculture, exports and remittances have been the key pillars of Bangladesh's economy for much of its history. These three drivers also helped the country navigate a turbulent 2021 when most economies around the world struggled amid recurrent coronavirus waves, supply bottlenecks and unprecedented levels of inflation.

"We did not face any food shortage because of robust farm production. Healthy flow of remittance has given us stability and led to an increase in consumption as this money ends up in villages," said Atiur Rahman, Bangabandhu Chair professor at the University of Dhaka.

Another driver of the economy is the export of garments, which are on the rise. Apparel shipment accounts for 85 per cent of the national export receipts. The economy is liquid because of the stimulus package that the government has boldly introduced since the pandemic arrived on the shores of the country.

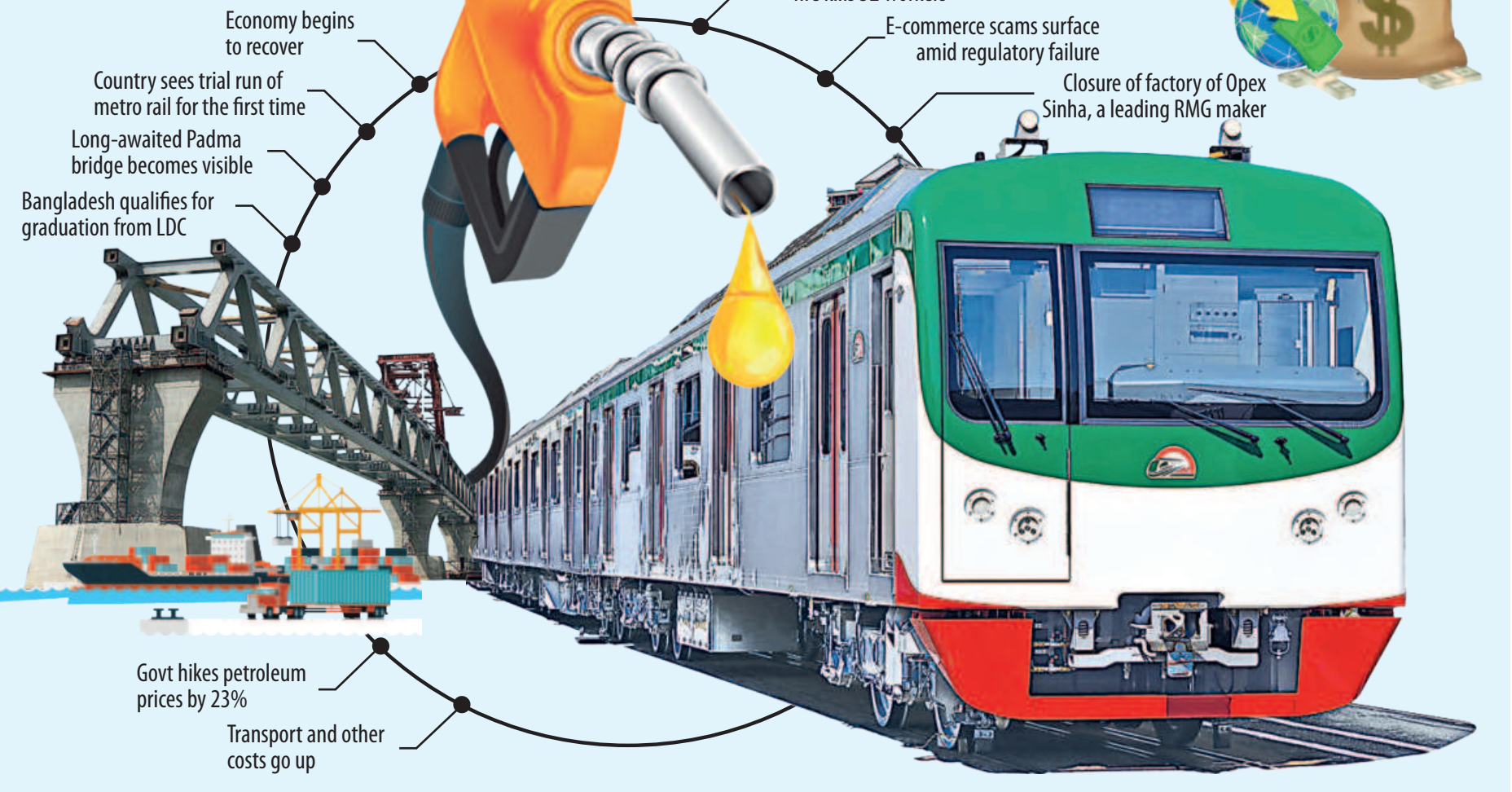
"Thanks to the liquidity, consumption increased," said Rahman, also a former governor of the central bank.

Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh, says the export sector has done a commendable job for the economy. The flow of remittances has also come in handy.

"The agriculture sector has been fairly resilient. This is helping the economy rebound."

READ MORE ON B3

MAJOR EVENTS OF THE YEAR



| | | | | | |
|------------------------------|------------------------------|--------------------------------|----------------------------|---------------------------------------|-------------------------------------|
| 2021 BY THE NUMBERS | INFLATION | FOREX RESERVE ↑ | TAX COLLECTION | NPL | PRIVATE CREDIT GROWTH ↑ |
| | Nov 2021: 5.98% | Dec 29, 2021: \$46,025m | 2021: Tk 227,389cr | Sep 2021: 8.12% | Nov '21 over Nov '20: 10.11% |
| | Nov 2020: 5.52% ↑ | Dec 29, 2020: \$42,837m | 2020: Tk 180,284cr | Dec 2020: 7.66% ↑ | |
| | EXPORT | IMPORT | REMITTANCE | DSEX ↑ | EXCHANGE RATE |
| Until Nov | Until Oct | Until Dec 23, 2021 | In points | Against dollar | |
| 2021: \$39,314m | 2021: \$64,156m | 2021: \$21,742m | Dec 30, 2021: 6,756 | Dec 30, 2021: Tk 85.80 | |
| 2020: \$30,294m 30% ↑ | 2020: \$42,597m 51% ↑ | 2020: \$21,741m ↑ | Dec 30, 2020: 5,402 | Dec 30, 2020: Tk 84.80 1.17% ↑ | |



BB eases loan classification rules

STAR BUSINESS REPORT

The Bangladesh Bank yesterday eased its loan classification policy for all borrowers following demand from the country's top trade bodies, including the FBCCI.

As per new decisions, a borrower will not be considered defaulter if they pay 15 per cent of the total instalment of loans payable in 2021 instead of the previous 25 per cent.

The decision came following a meeting between the central bank high-ups and the leaders of the trade bodies led by Md Jashim Uddin, president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI).

BB Governor Fazle Kabir was present at the meeting, which took place at the central bank headquarters.

On December 27, the central bank relaxed the rules for small and medium enterprises (SMEs), allowing them to pay 15 per cent of their total instalments payable this year.

But the BB yesterday said that all borrowers, including the large ones, were now able to enjoy the facility like the clients of the SME sector.

Md Serajul Islam, a spokesperson and an executive director of the BB, said that the relaxed

policy would be applicable only for this year. "The relaxation will not be extended anymore," he said.

A BB official said that the central bank would allow banks to accept the instalments from

The central bank took the decision following demand from the country's top trade bodies, including the FBCCI

borrowers in the next 7-8 days. A post facto approval will be given to adjust the instalments.

The FBCCI, the country's apex trade body, has recently called for an extension of the relaxed policy until June next year as the pandemic persists.

As per the proposals, borrowers, who have taken loans of up to Tk 10 crore from banks, should be treated as non-defaulters in spite of their inability to pay any instalment.

Clients, whose outstanding loans ranged from Tk 10 crore to Tk 500 crore, should be considered non-defaulters if they can give only 2 per cent of their payable instalments within the period.

Those with loans of more than Tk 500 crore should be allowed to avoid the default zone if they can pay 1 per cent of their payable instalments, according to the FBCCI.

FBCCI President Jashim Uddin said that the trade bodies had raised the issue given the ongoing situation. The central bank had considered it and relaxed the rules slightly.

The trade bodies also sought the default loans rescheduling facility by giving 2 per cent down payment.

"The central bank has assured us of taking the issue with due importance," Uddin said.

Leaders from the Bangladesh Garment Manufacturers and Exporters Association, the Bangladesh Knitwear Manufacturers and Exporters Association, and the Metropolitan Chamber of Commerce and Industry were present.

Trade with S Korea sees stellar growth

STAR BUSINESS REPORT

Bilateral trade between Bangladesh and South Korea reached a record high of \$2.01 billion from January and November this year, registering a 54.6 per cent year-on-year growth.

It was \$1.3 billion during the same period last year, said the Korean embassy in Dhaka in a press release yesterday, citing data from the Korea Trade Association.

Between January and November this year, Bangladesh's export to Korea surged 35.8 per cent year-on-year to \$498 million.

Korea's export to Bangladesh rose 61.9 per cent to \$1.51 billion.

Two-way trade has been stagnant at a level below \$1.6 billion for almost a decade after it peaked \$1.87 billion in 2011.

Bangladesh's export to the East Asian nation, which reached \$100 million in 2007 and \$200 million in 2011, had remained stagnant after it hit \$300 million in 2013.

But, despite the Covid-19 pandemic, Bangladesh's exports to Korea crossed \$400 million in 2019 and recorded \$393 million in 2020.

It is expected to go past \$500 million by the end of this year. The main export items are garments, sports and leisure items and bronze scraps.

Top brands honoured

STAR BUSINESS REPORT

Some 102 leading brands in 35 categories were honoured yesterday with the objective of encouraging businesses to win consumer confidence by offering good products and services and building up their reputation.

The country's biggest mobile financial service provider, bKash, was recognised as Bangladesh's top brand.

Coming next were Ispahani Mirzapore Tea of Ispahani Tea and Radhuni of the Square Food & Beverage out of 15 overall best brands, according to the 13th edition of Best Brand Award Bangladesh at Le Méridien Dhaka.

Bangladesh Brand Forum (BBF) organised the event in partnership with Nielsen Bangladesh and in association with The Daily Star.

Dhaka trade fair begins tomorrow

STAR BUSINESS REPORT

Cancelled in 2020 for rising coronavirus cases, the annual Dhaka International Trade Fair (DITF) is making a comeback, beginning tomorrow at its new venue in Purbachal.

The new premises, Bangabandhu Bangladesh-China Friendship Exhibition Centre, is the country's biggest multipurpose trade exhibition complex.

Prime Minister Sheikh Hasina is scheduled to virtually inaugurate the monthlong fair, now in its 26th edition.

Companies from home and abroad will showcase their goods in 225 stalls and pavilions, said Md Iftekher Ahmed Chowdhury, secretary to the Export Promotion Bureau (EPB).

The stalls and pavilions have been erected keeping in mind the need for social distancing, he said.

2021: a year of regaining confidence in stocks

But sporadic rumours remain

TOP TURNOVER LIST (2021)

| Company | Turnover (In crore taka) | In % of DSE turnover |
|--------------------------|--------------------------|----------------------|
| Beximco Ltd | 29,729 | 8.4 |
| Beximco Pharma | 9,014 | 2.6 |
| LafargeHolcim | 8,739 | 2.5 |
| LankaBangla Finance | 8,489 | 2.4 |
| British American Tobacco | 7,724 | 2.2 |

TOP GAINERS OF 2021

| Company | Stock price rise in % |
|-----------------------|-----------------------|
| Tamijuddin Textile | 1158 |
| Paper Processing | 1140 |
| Sena Kalyan Insurance | 603 |
| Sonali Life Insurance | 485 |
| Fortune Shoes | 321 |

The outgoing year bears special significance for Dhaka stocks for quite a number of developments. The benchmark index soared to its historical high thanks to a rebound in investors' confidence after many years.

Average daily turnover was the second biggest in recent memory, more than double that of the preceding year.

Yet two perennial pains prevailed: rumour-based trading and manipulation of select scripts.

The DSEX, the benchmark index of Dhaka Stock Exchange (DSE), ascended to 7,367 points on October 10, the highest since its inception in 2013.

The DSE's daily average trading amounted to Tk 1,475 crore, coming second after that of 2010, according to the DSE data.

This was a year-on-year jump of 126 per cent from Tk 648 crore in 2020. Progress also came through the launch of secondary trading of government securities.

The start of trade of treasury bonds in the secondary market ended a wait of over a decade,

creating one more investment tool for retail investors reliant only on shares and mutual funds.

Meanwhile, small and medium enterprises (SMEs) also got a scope to raise funds from the stock market.

Six SMEs raised Tk 70.5 crore, a first for the SME platform launched in 2019. Trading at the new board started too.

More funds were also raised by companies this year. A total of 23 companies

raised Tk 1,653 crore through initial public offerings (IPO). In contrast, Tk 985 crore was raised by eight companies in 2020.

One drawback, however, was a fall in foreign investors' participation.

Foreign investors reduced their investment in October and November by Tk 1,962 crore and Tk 1,139 crore respectively as their sales surpassed purchases.

The year was comparatively better for the capital market in context to recent times as investors' confidence returned and turnover more than doubled, said Faruq Ahmad Siddiqi, a former chairman of the Bangladesh Securities and Exchange Commission (BSEC).

Many investors became interested to invest here. However, the scenario centring manipulation has not improved, he said.

Stock prices of small paid-up capital based companies soared abnormally and illogically and some people took advantage of it, he said.

One of the entities was Tamijuddin Textiles, a low-paid up capital based company. The

price of its stocks rose the highest, 1,158 per cent.

Hot on its heels were peers Paper Processing (1,140 per cent), Sena Kalyan Insurance (603 per cent), Sonali Life Insurance (485 per cent) and Fortune Shoes (321 per cent).

On the companies which raised funds through IPO this year, he said, "I hoped to see better companies in the IPO list."

The year started off well but a rift between Bangladesh Bank and the BSEC spooked investors' confidence, said a top official of a merchant bank, preferring anonymity.

One issue of contention has been resolved recently but tension prevails over two others, he said.

One is over the BSEC ordering all listed companies, including banks and non-bank financial institutions (NBFI), to deposit their unclaimed dividends to a stock market stabilisation fund.

The other is over the BSEC allowing the banks and NBFIs to declare dividends from the current year's profits even if there were cumulative losses.

Time to reset financial goals

MD ABU TALHA SARKER

People across the world are eagerly waiting to welcome 2022. And, this is the perfect time to assess your financial goals and evaluate what is working and what

is not in order to have a better life in a turbulent time.

While making financial resolutions to improve your situation is good practice at any time of the year, many find it easier to execute best practices at the beginning of a new year.



Abdul Quadri, managing director of United Commercial Bank (UCB), receives a letter of appreciation from Fazole Kabir, governor of Bangladesh Bank, at the central bank headquarters in Dhaka recently. The UCB disbursed Tk 1,250 crore in loans from the government's Covid-19 stimulus package for cottage, micro, small and medium enterprises in the first phase in fiscal year 2020-21.



Employees and officials of the Kazi & Kazi Tea Estate pose for a photograph following the company's annual sales conference at Ananda Dhara Resort in Panchagarh recently. Syed Shoab Ahmed, chief executive officer, SM M Ibrahim Mahmud, general manager, and Ajbibir Islam, assistant brand manager, were present.



Abdul Hai Sarker, chairman of Dhaka Bank, cuts a ribbon to inaugurate a branch in Bashundhara of Dhaka on Wednesday. ATM Hayatuzzaman Khan, founder vice-chairman of the bank, Altaf Hossain Sarker, director, Emranul Huq, managing director, Mohammad Abu Jafar, additional managing director, and Md Mostaque Ahmed, deputy managing director, were present.



Md Abul Bashar, chairman of NCC Bank, cuts a ribbon to inaugurate its 125th branch at Shantinagar in Dhaka on Wednesday. Mohammad Mamdudur Rashid, managing director, and Syed Tofiq Ali, Mohammad Rafat Ullah Khan, Md Asheq Rahman, Md Monirul Alam and Md Zakir Anam, senior executive vice-presidents, were present.

Government of the People's Republic of Bangladesh. Custom House, Chattogram. Re-Tender Notice. Tender No. 2/2021-22 (Re-Tender). Internal Resources Division (IRD), Ministry of Finance (MOF). Procurement for Supply of Plastic Seal Tag (As per schedule).

Top brands honoured. The rest are RFL Houseware, Gramenphone, Closeup, Sunsil, Shwapno, Parachute Advanced Hair Oil, Pran Frooto, Lux, Walton, Daraz.com.bd, Coca-Cola and Lifebuoy. Of them, Closeup, Sunsil, Lux and Lifebuoy are brands of Unilever while RFL Houseware and Pran Frooto of Pran-RFL Group. The BBF has been honouring the most loved brands through the award for the last 13 years. The objective is to demonstrate and celebrate the success of the brands, achieved through tough and effortful initiatives. The award started its journey with Nielsen Bangladesh in 2008 based on a global model (Winning Brands™) making use of a direct consumer survey of 8,000 customers across the country that includes self-administered reviews. 'To be really edgy, local brands need to delve into our cultural dimension,' said Nazia Andaleeb Preema, director and creative editor of the BBF and founder of Bangladesh Creative Forum, at the ceremony. They have to understand the psyche of evolution of Bangladesh's strong brands and immerse in science and arts, she said. 'Only then brands will be sustainable because it is about striking emotional chords with functionality,' she said. Khandaker Samina Afrin, commercial leader of Nielsen Bangladesh, emphasised good distribution channels to reach target consumers with quality products.

Time to reset financial goals. FROM PAGE B1 Ala Ahmad, chief executive officer of MetLife Bangladesh, says, 'The pandemic has shown us the importance of managing health and financial well-being. Focus on these two priorities will continue to dominate many New Year resolutions.' For the coming years, he would like to encourage people to deeply think about utilising financial protection tools like insurance. While savings create a great foundation for financial stability, it may not be sufficient to provide protection against the unfortunate events in life like death of a key earning member, critical illness, and accidents. By planning ahead with life insurance, one can enjoy the present, while keeping the future financially secured. Md Kayser Hamid, managing director of Bangladesh Finance, says if it is personal finance, he would like to start a systematic investment plan to maximise return. 'Along with that, I will invest my 30-40 per cent savings in capital market products like mutual funds, initial public offering, and fundamental stocks.' He will also invest some in a government savings certificate and a fixed deposit receipt in a good rated financial institution to cover the inflation rate, which is rising. Mohammed Monirul Molla, managing director of Islami Bank Bangladesh Ltd, says 2022 will have a different scenario than the previous years, so knowing the art of managing assets properly may present people with a smart lifestyle. People are just recovering from the pandemic. Many of them had faced challenges managing family expenditures. So, they have to be a bit more calculative to manage personal assets and liabilities in a smarter way. They should segregate their needs, wants and luxuries and shape their year plan. Keeping a personal income-expenditure balance sheet may be helpful for smarter use of the pay cheque or monthly income. People may set specific savings goals during the whole year. Avoiding high interest-bearing debts or loans may save a good amount of the hard-earned money. Borrowing should be consistent with the pay back ability. A large number of people have lost jobs during the Covid-19 pandemic. 'So, people may invest their surplus funds in labour-intensive sectors to generate more employment opportunities, maximise welfare and ensure best use of money,' Molla added. Hasan Haque, adviser of LAR Center of Canada, says it is always important to separate needs from wants in personal financial plan success. 'Continuation of Covid-19 and the surge of omicron variant are telling us to be extra careful in separating needs from desires to tackle unexpected issues in 2022.' A budget will be helpful in this regard. Maybe it's time for people to use personal financial advice from experts on their income and expenditure, assets and liabilities, and attitude towards risk, tolerance, and capacity. It is also time to analyse financial and personal information to know about the strengths and weaknesses and develop a proper action plan. You must build savings habit if you are not already into it. Start with as little as you can but commit to saving consistently. Better financial wellness begins with aligning spending to values and long-term goals. Make a conscious effort to use money on the things that actually matter and say goodbye to willy-nilly spending and random discount offers and packages that are showing up at our doorstep. We should spend on the things that bring happiness and get us closer to our goals. Finally, we should make it balanced so the money we spend matches what we earn and nothing more. This will keep us out of debt or overspending.

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার. জেলা প্রশাসকের কার্যালয় বরিশাল. নিয়োগ বিজ্ঞপ্তি. বরিশাল জেলার ইউনিয়ন পরিষদের নিম্নবর্ণিত শূন্যপদে অস্থায়ী ভিত্তিতে ইউনিয়ন পরিষদ সচিব পদে শোক নিয়োগের জন্য নিম্নবর্ণিত শর্তে বরিশাল জেলার স্থায়ী বাসিন্দাদের নিকট হতে জনস্বাস্থ্য মন্ত্রণালয় কর্তৃক প্রবর্তিত নির্ধারিত ফরমে লিখিত ভরণস্বত্ব আহ্বান করা যাচ্ছে।

HSBC completes first insurance backed receivables finance transaction

STAR BUSINESS REPORT

The Hongkong and Shanghai Banking Corporation (HSBC) in Bangladesh has recently completed the country's first insurance backed receivables finance transaction for MBM Garments.

This proposition has been rolled out in line with HSBC's own receivables finance model and within local regulation, wherein the customer gets early payment against their deferred term exports from HSBC Bangladesh, said a press release.

It also comes with a bespoke insurance solution to cover and manage buyers' non-payment risk through HSBC's business partners, it said.

"We are extremely pleased to partner with HSBC on this first transaction under the proposition which will help us to get not only early financing on a non-recourse basis but also on default risk coverage by an Insurance company," said Wasim Rahman, managing director of MBM Garments.

"This has opened up another avenue in our pursuit to seek innovative financing solutions," he added.

Md Mahbub ur Rahman, chief executive officer of HSBC Bangladesh, said as the leading trade bank in Bangladesh, HSBC continues to offer innovative solutions to the customers dealing with cross border trade.

"Our global network and our ability to provide risk measured solutions will facilitate our customers to widen their international market," he said.

Kevin Green, country head of Wholesale Banking, said being the leading bank for global trade, HSBC is uniquely positioned to connect buyers and suppliers globally by leveraging its international network and structured product propositions.

"HSBC is proud to partner with MBM Garments Ltd in the first insurance backed receivable finance transaction in Bangladesh. I would like to take this opportunity to thank Bangladesh Bank for providing the necessary policy support to enable such transactions which can help Bangladeshi exporters to better manage liquidity and risk."



M Reazul Karim, managing director of Premier Bank, receives a letter of appreciation from Fazole Kabir, governor of Bangladesh Bank, at the central bank headquarters in Dhaka recently. Premier Bank disbursed its designated portion of loans from the government's Covid-19 stimulus package for cottage, micro, small and medium enterprises in the first phase in fiscal year 2020-21. Mohammed Emtiaz Uddin, senior executive vice-president of Premier Bank, was present.

Brac Bank gets BB's top SME stimulus disbursement recognition

STAR BUSINESS DESK

Bangladesh Bank (BB) has recognised Brac Bank for its role in the implementation of the first phase of a Covid-19 stimulus package for cottage, micro, small and medium enterprises in financial year 2020-21.

The government declared a Tk 20,000 crore stimulus package to help the enterprises recover from the pandemic's fallout.

Brac Bank fulfilled an incremental target of Tk 1,500 crore in the first phase (April 2020-June 2021), which is the highest in the industry, says a press release.

Fazole Kabir, governor of the BB, handed over a certificate to Md Sabir Hossain, deputy managing director of Brac Bank, at the central bank in Dhaka on Tuesday.

"We appreciate Bangladesh Bank for keeping confidence in Brac Bank by assigning us with incremental target under the stimulus package," said Selim RF Hussain, managing director of Brac Bank.

VAT payments of over Tk 50 lakh must be electronic

STAR BUSINESS REPORT

Businesses seeking to pay value added tax (VAT) of Tk 50 lakh or above will have to use electronic modes from January 1 next year, said the National Board of Revenue (NBR) yesterday.

The revenue authority said it can be done through either e-payment of the VAT wing or an automated challan system termed A-challan, introduced by the Finance Division earlier.

"Businesses will be able to pay VAT through e-payment or A-challan easily and without hassle," said Md Masud Sadiq, member VAT policy of the NBR, in an order.

The move comes at a time when the customs wing of the NBR made use of electronic payment gateways mandatory for payments of over Tk 2 lakh of customs tariffs and taxes from July 1, 2021.

From January 1, businesses will be required to electronically pay any amount of duty and taxes for overseas trade, said an official of the NBR.

The VAT department is also in the process of automating a number of VAT systems.

"We will gradually bring all payments of VAT under electronic systems," said a senior official of the NBR.

Snehasish Barua, partner of the Snehasish Mahmud & Co, hailed the move.

Time to make payments will reduce in line with the increase in process automation, he said.

This will cut the cost of doing business, he added.

Foreign carmakers interested in Ford plant in India

REUTERS, Chennai

Foreign automakers have indicated an interest to the government of India's Tamil Nadu state in acquiring Ford Motor Co's plant there, the state industries minister said on Thursday, after inconclusive talks with the Tata Group.

Ford announced plans to stop production in India in September, as it did not see a path to profitability there. The carmaker expected to wind down operations at its vehicle and engine manufacturing unit in Tamil Nadu by 2022.

"Early stage talks are going on," Thangam Thennarasu, industries minister of Tamil Nadu told Reuters,

adding that he could not give details of which firms were interested.

"It is eventually up to Ford as it will be a commercial arrangement. We are merely facilitating talks between the companies," he said.

Thennarasu said the Tata Group had also shown an interest in buying the Ford plant, having met the state's chief minister and visited the plant for a preliminary study but the state government had yet to hear from them about any deal.

"It is now up to them to make an official announcement," Thennarasu told Reuters in an interview on Thursday. Ford India will wind down operations at a second factory, in

Gujarat state, by the fourth quarter of 2021 and vehicle and engine manufacturing in the Tamil Nadu plant by 2022, the company said in September.

Ford has the capacity to produce about 440,000 cars in India a year across both plants but is only using about 25 per cent of that, according to data intelligence company Global Data.

Ford, asked about which firms might be interested in buying the Tamil Nadu plant, told Reuters in a statement: "We continue to explore possible alternatives for our manufacturing facilities but have nothing further to share."

Mercantile Bank opens 35 agent banking outlets

STAR BUSINESS DESK

Mercantile Bank launched 35 agent banking outlets across the country yesterday to provide basic banking services to the unbanked population.

Md Quamrul Islam Chowdhury, managing director, virtually inaugurated the outlets, says a press release.

Mati Ul Hasan, additional managing director, and Adil Raihan, deputy managing director, were present.

Currently, the lender has 162 agent banking outlets.

Customer can enjoy banking services such as account opening, deposit schemes, cash deposits, withdrawals, transfers and remittance easily through biometric authentication.

Dhaka trade fair begins tomorrow

FROM PAGE B1

The foreign businesses are from 10 countries, including India, South Korea, Turkey, Pakistan, Iran and Thailand.

As set by the EPB, foreign companies have to pay \$6,500 to hire a small stall and \$9,000 for a big one.

In case of local companies, the lowest rent for a stall is Tk 1.55 lakh while the highest Tk 17 lakh. Some 45 buses of Bangladesh Road Transport Corporation (BRTC) will provide shuttle service between the DITF and Kuril flyover for both participants and visitors, Chowdhury said.

The entry fee for an adult has been fixed at Tk 40 while it is Tk 20 for a child, he added. The commerce ministry and EPB are organising the fair in the new venue due to the previous one in Agargaon having turned out to be too small to accommodate the ever-growing number of participants and visitors.

Moreover, movement of fairgoers used to create severe congestion on the streets of Agargaon, Mirpur, Mohammadpur and adjacent areas.

Three white knights of economy

FROM PAGE B1

Fahmida Khatun, executive director of the Centre for Policy Dialogue, thinks the agricultural sector has provided not only stability but also security.

"There was no shortage of food." She says export orders had plummeted at the peak of the pandemic. Orders began to return in August 2020.

"Stimulus packages, liquidity support and cash support for the poor have been provided although they were not enough."

The e-commerce sector is also doing well, said Fahmida.

Prof Mustafizur Rahman, a distinguished fellow of the CPD, says the export sector had a growth of 24 per cent in the last five months. Import has surged, where there is 50 per cent growth.

"However, we have not been able to bring in new investment of the private sector. It is also a challenge for the days ahead."

Monzur Hossain, research director of the Bangladesh Institute of Development Studies (BIDS), said vaccine rollout has been a major factor for the economic revival in addition to agriculture, exports and remittances.

About 27 per cent of the population in Bangladesh have received two doses of Covid-19 vaccines and 52.64 per cent received at least one dose, according to the Multilateral Leaders Task Force on Covid-19 Vaccines, a global effort to help developing countries access and deliver vaccines.

"As a result, the economy has almost returned to the full recovery stage," Monzur said. He says the construction sector has also done quite well during the pandemic.

In fact, realtors have sold around 10,000 flats so far this year as customers shrugged off pandemic fallout and the government keeps extending the amnesty to the investment of untaxed money in the housing sector.

Khondaker Golam Moazzem, research director of the CPD, says not everyone is turning around equally.

"But if we talk about the overall economy, it has turned a lot."

He says if the export sector does well, many sectors also perform better because of the linkage.

Nazneen Ahmed, country economist of the United Nations Development Programme, gives credit to everyone from businessmen and farmers to workers and

ordinary people for the recovery.

"Everybody is trying very hard to return to normalcy. All sectors are actually working as drivers," she said, adding that various online platforms, outsourcing businesses, delivery firms and startups have been contributing to the recovery.

Selim Raihan, professor of the Department of Economics at the University of Dhaka, says activities in manufacturing have done well except for the lockdown period.

"Now, most of them have returned to the pre-pandemic level."

Towfiqul Islam Khan, a senior research fellow at the CPD, says the pharmaceuticals sector is doing well, aided by robust domestic consumption and rising exports.

"Sectors such as transport and retail are starting to pick up," he said.

There are some concerns.

Nazneen says the way large businesses and industries were able to make a comeback with the help of the government, the smaller ones did not get the same opportunity in terms of access to finance.

"So, their recovery is happening at a slower pace."

Speaking about the labour market, she says there is a group of people who are less skilled, uneducated and older, and they are having a hard time in getting back to the job market.

The service sector has not returned to the pre-crisis stage, according to Kazi Iqbal, a senior research fellow of the BIDS. "The good thing is that the tourism sector is turning around."

Towfiqul says the recovery of the businesses of hotels, restaurants and tourism sites is lagging that of other businesses.

Another challenge is credit growth has not yet reached the expected level. This is because there has not been much investment since uncertainty persists.

Inflation, which rose to a 13-month high in November, is another major worry for the economy.

So, the government has to remain alert about it, Monzur said.

"There is a fear of inflation. But in a country like ours, even if inflation rises a little, if growth can be kept right, then the trade-off will not be that bad," said Atiur Rahman.

Trade with S Korea sees stellar growth

FROM PAGE B1

Apparel exports, which accounted for 81 per cent of the total shipment to Korea, were up 32.4 per cent at \$442 million, while sports and leisure items rocketed by 92 per cent to \$303 million.

The export of bronze scraps rose by 175 per cent to \$9.14 million.

Korea's export to Bangladesh was \$1.03 billion in 2020. And it might be possible to surpass the level of 2011 by the end of this year, said the press release.

Major export items of Korea are machinery, petrochemical product, steel, and pesticides.

The export of machinery rose 107 per cent to \$297 million, reflecting the continued growth of Bangladesh's manufacturing sector.

Petrochemical exports to Bangladesh went up by 64.2 per cent to \$279 million, steel exports by 45.7 per cent to \$190 million, and pesticides by 68 per cent to \$78 million.

In the press release, Lee Jang-keun, ambassador of South Korea to Bangladesh, said: "This year will mark a momentous turning point in the bilateral trade between the two countries overcoming the challenges of the Covid-19 pandemic."

He expects the bilateral cooperation will be further strengthened in the coming years.

He hoped that Bangladesh's business sector would take advantage of the preferential trade policy of Korea to Bangladesh.

Korea has been granting duty- and quota-free access to its market for 95 per cent of the products since 2008.

Advertisement for TCB (Trade Credit Bureau) featuring a table of services, contact information, and a QR code. The table lists various services like 'উন্নত দরপত্র বিক্রয় (জাতীয়)', 'দরদাতার জন্য তথ্য', and 'দরপত্র গ্রহণকারীর বিবরণ' with their respective details and contact numbers.

“We want to become an integral part of Bangladeshi consumers’ lives”

In conversation with Shahriar Bin Lutfor, Head of Business, Consumer Electronics, Samsung Bangladesh

The Daily Star (TDS): What is the current state of the consumer electronics market in Bangladesh?

Shahriar Bin Lutfor (SBL): The consumer electronics market in Bangladesh has been going through a golden period over the last couple of years. This momentum is forecasted to continue in the upcoming years. Over the last decade, access to electricity has increased significantly. This has enabled even more households to use consumer electronics products. Besides, rapid growth in per capita income, fast urbanisation, change in people’s lifestyles, and increased participation of women in the workforce are driving demands. Nowadays, consumers are more interested in the features and durability of these products, rather than seeing them as a luxury product. All of this has caused the market for televisions, washing machines, refrigerators and other home appliances to expand and grow in numbers. We see it as development for the consumer electronics market in Bangladesh.

TDS: In comparison to other global markets, how does Bangladesh’s consumer electronics market rank in Samsung’s opinion?

SBL: Samsung considers Bangladesh as one of the most potential consumer electronics



Shahriar Bin Lutfor

markets in the world. Bangladesh is the 8th most populated country in the world, with a very young average age of 25.6 years. Over the last couple of years, it has maintained a steady GDP growth. With rapid increase of large infrastructure and usage of mobile and internet—consumers’ demands and lifestyle are changing very fast. Rise of purchasing power along with access to easy finance through banking and non-banking channels, have resulted in an increasing demand for consumer electronics in the market.

TDS: How successful has Samsung been in the Bangladesh market and what specific strategies did Samsung implement to capture the attention of the local consumers?

SBL: Samsung Electronics has been operating in Bangladesh for the last 11 years. Since we started

our operations here, we have taken numerous initiatives and implemented several strategies to attract local customers. For example, we have set up a state-of-the-art manufacturing facility in Bangladesh through our local partners. We maintain the exclusive standard of Samsung products, while also creating affordable options for a wide range of consumers. With the aim of providing the absolute best experience for its users, Samsung has maintained its commitment to continually improve the product line.

To ensure product availability across the country, we have set up distribution channels in partnership with large and reputed local groups such as Transcom Digital, Fair Electronics, Electra International and Rang Industries.

Additionally, to provide the best-in-class service to customers, Samsung has set up its own service network across the country, and provides free, in-home service facilities for all of its products.

TDS: What are the best performing products in the Bangladesh market from Samsung’s catalogue?

SBL: Samsung offers a wide range of consumer appliance products like televisions, refrigerators, washing machines, microwave ovens, air conditioners, vacuum cleaners, air purifiers, etc. Last

year, in the digital appliances market, we achieved remarkable growth by showcasing innovative products and unique designs. So far, Samsung televisions have performed exceptionally well in the Bangladesh market, maintaining a high level of growth in 2021. Samsung refrigerators, washing machines and microwave ovens have shown outstanding performances as well. We plan to deliver truly consumer-centric innovation with more products that will satisfy the diverse and ever-changing consumer lifestyle.

TDS: What are the different products being manufactured or assembled currently in Bangladesh?

SBL: Inspired by the Bangladesh government’s policy for local production, Samsung is one of the pioneering international brands that has set up a manufacturing facility in Bangladesh through its local partners. We have product facilities for televisions, refrigerators, air conditioners and washing machines, in Bangladesh. The products also have the brand reliability on par with Samsung’s global standards.

TDS: What is Samsung’s vision for the Bangladeshi market? Are there any products that are currently unavailable from Samsung’s catalogue which will be brought in the future?

SBL: Samsung has established itself as one of the leading global brands in Bangladesh that specialise in curating unique ideas and innovative technology. We have always tried to remain a step ahead when it comes to identifying global lifestyle trends. We have proudly maintained the number one position, globally, in the television market for over 15 years now. Furthermore, we are continuously developing and expanding other products in the consumer electronics division. With relentless technological advancement and out-of-the-box thinking, we hope to grow and expand more in the near future.

Our vision for the Bangladesh market is to become an integral part of the consumers’ lives through Samsung’s innovative consumer electronic products. We want to ensure that Samsung products are present in every household in Bangladesh. To accomplish that, we have launched a wide range of products at affordable prices for each income segment. Besides this, we are extending our reach to the remote rural areas of Bangladesh, so that every consumer can avail the latest innovations in the world and make their busy lives easier and more convenient.

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BEST BRAND AWARD
Bangladesh
2021

OVERALL TOP 15 BRANDS

| | | | | |
|--|--|---------------------|---|--------------------------|
| 1 bKash a BRAC Bank company | 2 ISPAHANI MIRZAPORE | 3 Radhuni | 4 AFL আর এফ এল জায়েওয়াদ | 5 grameenphone |
| 6 closeup | 7 sunsilk CO-CREATIONS | 8 SDG | 9 পানিগুটি অ্যাডভান্সড | 10 Frooto |
| 11 LUX | 12 WALTON | 13 daraz | 14 কোকা কোলা | 15 Lifebuy |