



Export and import of goods through Benapole port

Ukraine war complicates US inflation fighting effort

AFP, Washington

The uncertainty created by Russia's invasion of Ukraine and its impact on the global economy is piling more complexity onto the US central bank's already tough fight to contain rising prices.

Soaring energy and food costs have pushed inflation in the world's largest economy to the highest pace in four decades, and the Federal Reserve is poised to raise the benchmark borrowing rate in March to put out the fire.

But while the Russia-Ukraine conflict is driving oil prices even higher, it also threatens to undercut the economic recovery from the Covid-19 pandemic.

"It just makes a time that was always going to be challenging all the more so," Erica Goshen, a former senior Fed official, told AFP.

Fed policymakers will be "watching the data very carefully. It throws a few more considerations into the pot," said Goshen, senior economic advisor at Cornell University's School of Industrial and Labor Relations.

Crude prices briefly topped \$100 a barrel on Thursday after Russia launched its invasion, the first time it passed that benchmark since 2014.

And wheat prices also could spike, as Ukraine is one of the top global exporters of the grain.

The Fed slashed the benchmark lending rate to zero at the start of the pandemic, and flooded the financial system with cash in an effort to stave off a severe recession.

Together with massive federal spending programs, that effort was largely successful: the economy bounced back quickly, with growth of seven per cent in 2021.

But high demand, supply chain snarls and labor shortages have combined to push the Fed's preferred inflation index to 6.1 per cent in the year ended in January, far above the two per cent target.

To contain the wave of price increases for energy, housing, cars and food, Fed officials for weeks have been preparing financial markets for coming rate hikes, hoping to engineer the elusive "soft landing" and avoid tipping the economy into recession.

Fed officials typically stick to generalities and hints, leaving markets to interpret their exact meaning, but in an unusually direct speech Thursday, Fed board member Christopher Waller said there could be a "strong case" for a half-point increase in the benchmark lending rate in the first hike next month, twice the usual move.

But the situation in Ukraine could change his thinking before the March 15-16 meeting of the policy-setting Federal Open Markets Committee (FOMC).

"Front-loading" a half-point increase "would help convey the Committee's determination to address high inflation," he said.

"Of course, it is possible that the state of the world will be different in the wake of the Ukraine attack, and that may mean that a more modest tightening is appropriate, but that remains to be seen."

Google blocks Russian channels from earning ad dollars

REUTERS

Alphabet Inc's Google barred on Saturday Russia's state-owned media outlet RT and other channels from receiving money for ads on their websites, apps and YouTube videos, similar to a move by Facebook after the invasion of Ukraine.

Citing "extraordinary circumstances," Google's YouTube unit said it was "pausing a number of channels' ability to monetize on YouTube." These included several Russian channels affiliated with recent sanctions, such as those by the European Union.

Ad placement is largely controlled by YouTube.

Google added later that it was also barring Russian state-funded media outlets from using its ad technology to generate revenue on their own websites and apps.

In addition, the Russian media will not be able to buy ads through Google Tools or place ads on Google services such as search and Gmail, spokesman Michael Aciman said.

"We're actively monitoring new developments and will take further steps if necessary," Aciman said.

On Wednesday, the European Union unveiled sanctions on individuals such as Margarita Simonyan, whom it called RT's editor-in-chief and "a central figure" of Russian propaganda.

Cargo vehicle terminal construction begins at Benapole port

SOHEL PARVEZ

The construction of the cargo vehicle terminal at the Benapole Port has begun as the government looks to improve the capacity of the largest land port in South Asia.

The terminal will allow the port to handle an increasing flow of goods of international trade, particularly between Bangladesh and India.

The Bangladesh Land Port Authority (BLPA) took a Tk 290 crore project in July 2019 to establish the terminal to reduce congestion and facilitate a faster and seamless flow of goods between the two countries.

The project was designed to start from July 2019 as per Development Project Proforma but administrative approval came in January 2020.

The BLPA got the allocation for the project from the fiscal year of 2020-21 and acquired 25 acres of land for more than Tk 24 crore.

It hired a consultant for designing the cargo vehicle terminal and other facilities, including labour shed, rest house, BLPA office building and internal road.

"We have already hired the contractor to build the terminal and construction has started," said Md Mostafa Kamal Mazumder, project director of the cargo vehicle terminal.

"We want to complete the construction of the terminal by June next year. The part of the terminal will be visible by June this year."

The BLPA initiative came amid the growing use of the port by businesses for trades with their Indian counterparts.

The handling of export and import cargoes at the port grew 74 per cent to 30.7 lakh tonnes in 2020-21, compared to 17.6 lakh tonnes in FY2015-16, BLPA data showed. Imports accounted for 90 per cent of the total goods.

The port now handles nearly 700 trucks carrying inbound

and outbound goods and can accommodate about 1,100 trucks in three of its terminals dedicated to imports, exports and transshipments at a time.

The yard could house nearly 1,300 trucks after completion. The port also handles containers coming by railways from India.

After the construction of the new cargo terminal, the combined capacity of the port will be 2,500 trucks. BLPA Chairman Md Alamgir says traffic jams at the port would decline and the waiting time of trucks would go down as well.

Of the 12 operational land ports in Bangladesh, Benapole accounts for 90 per cent of the total trades that take place through land ports.

Yarn, fabrics, garment accessories, capital and agricultural machinery, automobile, fruits, and perishables are imported through the port, while garments, raw jute and jute goods, chemicals and fish are mainly exported.

Standard 4G internet speed

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crossroads of acquiring future-ready network capabilities, navigating numerous industry and ecosystem-related challenges while meeting an unprecedented amount of connectivity needs due to the coronavirus pandemic.

GP deployed an additional spectrum, and with the help of modern radio technology, it extended bandwidth in long-term evolution (LTE), which boosted data experience further.

Transmission and core network capacity enhancement have provided the best end-user experience, he said.

According to him, GP's 4G internet speed is now 8 Mbps in Barishal and Khulna, and 10 Mbps in Dhaka.

"GP itself is carrying out drive tests regularly across the country to ensure the best 4G network experience, and these efforts will continue."

Shahed Alam, chief corporate and regulatory officer of Robi Axiata, says the standard of mobile services depends on the service customers wish to avail.

He says a maximum 5 Mbps speed is adequate to support all data-based services available on the internet.

For example, in order to watch a 720p quality video, a customer needs only 2.5 Mbps speed. Customers would require a maximum 5 Mbps speed to enjoy a 1080p video.

"Due to a lack of

affordable spectrum and unreliable and poor quality of optical fibre network, we, the mobile network operators, did not agree to any minimum speed limit proposed by our regulator," Alam said.

Ankit Sureka, head of corporate communications and sustainability of Banglalink, says following the deployment of the new 9.4 MHz spectrum purchased last year, the operator currently has the most spectrum per subscriber among the private operators in Bangladesh.

"As a result, we have been able to provide better and considerably improved services for our customers."

The better speed has been one of the key reasons Banglalink managed to win the Ookla Speedtest Award, which represents real-world network performance and the internet speeds and coverage provided to customers, four times in a row.

Sureka thinks high spectrum prices, higher tax rates, and lower 4G handset penetration are the major barriers facing the industry today.

"The lack of a level playing field in the market is another concern."

Moreover, regulatory support for achieving efficiency through sharing of facilities and services such as tower/in-building solutions, radio access network, and spectrum is also necessary, he said.

A number of officials of the operators say despite the steep decline in data price, they have

continued to invest heavily in strengthening network quality, but it is difficult to make a business case for further big investments since most of their revenue goes to the government exchequer.

Mustafa Jabbar, telecom minister, said the government has taken up projects for the modernisation and expansion of Teletalk's network.

He said compared to private operators, the investment in Teletalk is meagre.

According to the 2021 Digital Quality of Life index, published by globally acclaimed VPN service company Surfshark, Bangladesh has one of the worst mobile internet speeds as the country ranked 103rd among 110 nations.

Ghulam Rahman, president of the Consumers Association of Bangladesh, said the drive-test report proved that customers are being deprived of the service for which they pay.

"The regulator should take steps so that customers get compensation for the low-quality services. If compensation is not given, the BTRC should fine the operator."

Subrata Roy Maitra, vice chairman of the Credit Africa Bank Ltd in Zambia in various capacities before joining Dhaka Bank in 1998.

He is a certified corporate banker and a fellow of the American Academy of Financial Management.

Junaid appointed

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Matano, executive vice-president for the MIGA.

The WB subsidiary's guarantees protect investments against non-commercial risks and can help investors obtain access to funding sources with improved financial terms and conditions.

Ahmad will work to advance and enhance MIGA's brand partnering across the World Bank Group and with financial institutions, private investors and development actors, originate and pursue meaningful, impact-driven projects and lead the operations team to deliver on MIGA's mandate of mobilising private finance for development projects in the emerging market developing economies.

He joined the WB in 1991 as a young professional and worked on infrastructure development in Africa and Eastern Europe.

He has since held several management positions, leading the WB's programme in diverse regions, including Africa, the Middle East and North Africa, as well as in India and South Asia, and the chief of staff to the president of the World Bank Group.

He holds a PhD in applied economics from Stanford University, a two-year master's in public administration from Harvard University, and a BA in economics from Brown University.

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Stocks fall steepest

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people seem to have panicked as well, said a stockbroker.

As a result, they sold all types of shares, even those of well-performing companies, he said, adding that the selling pattern shows that people were scared.

Stocks of Beximco Ltd traded the most, churning out Tk 56 crore followed by Bangladesh Shipping Corporation, British American Tobacco Bangladesh, Fortune Shoes and Orion Pharmaceuticals.

Pacific Denims rose the highest at 6 per cent followed by Yeakin

Polymer's 1.79 per cent, ADN Telecom's 1.22 per cent, Doreen Power's 1 per cent and Hwa Well Textiles' 0.89 per cent.

Alltex Industries shed the most, plunging 10 per cent followed by Meghna Condensed Milk that fell 9.69 per cent, while Union Insurance went down 9.14 per cent, Takaful Insurance 8.85 per cent and Bangladesh National Insurance 8.39 per cent.

The Chittagong Stock Exchange (CSE) also witnessed a decline. The CASPI, the main index of the port city bourse, fell 490 points, or 2.45 per cent, to 19,500.

Among the total traded

stocks of 304 at the CSE, nine rose, 284 dropped and 11 remained unchanged.

The jittery investors lost their hope as the Ukraine-Russia issues have created uncertainty about the future of the global as well as the local economy, said International Leasing Securities Ltd in its daily market review.

Among all the sectors, general insurance dropped 5 per cent, ceramics 4.3 per cent and cement 3.6 per cent.

The investors' attention was mainly concentrated on textile (14.5 per cent), pharmaceuticals and chemicals (11.6 per cent) and banks (10.9 per cent).

Vegetable production

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production for fiscal year 2020-21 but its estimate for fiscal 2019-20 was 45.74 lakh tonnes, which was one-fourth of the DAE estimate.

Despite the huge gap, there has been an upward trend in production and acreage. For instance, Bangladesh grew vegetables on 9.08 lakh acres of land in fiscal 2009-10 to produce 29.93 lakh tonnes of crops that year, according to the BBS.

Since then, acreage grew 25 per cent while production shot up 53 per cent until the end of fiscal year 2019-20, the BBS data shows.

Contacted, Md Benojir Alam, director general of the DAE, said the DAE data is correct.

"We do not know why they have made the gap but our estimate is right," he said over phone.

Refiners demand fresh hike

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per cent from a year ago. According to the proposal, the loose palm oil price should be set at Tk 150 per litre, from Tk 140 to Tk 147 now. The non-branded loose palm oil price has risen 41 per cent in the past one year.

This is the second time this year the refiners are seeking an upward revision of the price of edible oil after crude edible oil price rose sharply in the international markets owing to demand recovery and supply chain disruptions.

On February 19, the commerce ministry gave approval to a proposal to increase the price of edible oil to Tk 168. Last year, edible oil price rose four times.

The annual demand for edible oil in Bangladesh is nearly 25 lakh tonnes of which more than 10 per cent is met by local producers in mainly the form of mustard oil. The rest of the demand is met through imports.