

## Russian rouble plunges to record low

REUTERS, London

Russia's rouble tumbled to a fresh record low in thin offshore trade on Monday, with local markets closed for trading until at least Wednesday.

The rouble weakened to 133.5 to the dollar after closing at 121.037 on Friday, according to Refinitiv data. On the EBS trading platform, the rouble weakened as far as 141.00 to the dollar.

Bid/offer spreads were between 10 and 15 cents, pointing to an increasingly illiquid market. Trading on the MOEX Moscow exchange is scheduled to be closed until Wednesday for a bank holiday.

The rouble has lost more than 40 per cent of its value against the greenback since the start of the year, with losses sharply accelerating since Russia invaded Ukraine on February 24, which sparking sweeping sanctions from Western capitals.

The curbs on Russia, its lenders, corporates and key individuals, as well as counter measures from Moscow, have cut Russian assets increasingly out of global financial markets and have made it tricky for investors to trade any securities.

"It has become very difficult to trade the rouble after the sanctions," said Aaron Hurd, senior portfolio manager, currency, at State Street Global Advisors. "Liquidity has vanished and markets have become very volatile."

Russia calls its actions in Ukraine a "special operation."



The bright yellow petals of sunflower plants are seen dotting the green shrubbery underneath at a farm in Kasba upazila of Brahmanbaria. Cultivation of the profitable oilseed crop has increased manifold in the past two years but farmers remain seemingly unaware on how to store or process them. The photo was taken recently.

PHOTO: MASUK HRIDOY

# Farmers turn to sunflowers for a decent profit

But are left in the lurch by lack of training, support

MASUK HRIDOY and MD AMINUL ISLAM

Farmers across Bangladesh are more inclined than ever to cultivate sunflowers as an alternative to traditional paddy crops that do not offer much profit.

For example, farmers in Brahmanbaria and Kishoreganj have ramped up sunflower cultivation in a bid to secure the plant's highly nutritious edible oil.

Sunflower was being grown on just 156 bighas of land Brahmanbaria two years ago, but cultivation has expanded to about 972 bighas of land since then.

At the same time, the number of farmers growing sunflowers in Kishoreganj has reached 1,500 thanks to increased demand

for healthy edible oils.

And considering the amount of crops planted this season, farmers expect higher yields.

As such, there is a good prospect of selling up to Tk four crore worth of sunflower oil in Brahmanbaria this year, shows data from the local Department of Agricultural Extension (DAE).

However, it should be mentioned that farmers are stepping up their efforts to cultivate the crop in order to prevent any potential edible oil crisis in the domestic market.

Bangladesh has to depend on the international market to meet 90 per cent of its edible oil demand as the country

produces only a small quantity of oilseeds.

However, global edible oil prices spiked recently due to dry weather in Argentina and Brazil – two major producing and exporting countries.

Meanwhile, Russia's ongoing invasion of Ukraine has also raised concerns of a potential disruptions to the supply chain, leading to stockpiling at both home and abroad.

In all, 246 hectares of land have been brought under sunflower cultivation in nine upazilas of Brahmanbaria. Of them, farmers based in riverine and haor regions are dominating in terms of production.

But despite the farmers' zeal to grow

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## Wheat price hits 14-year highs

REUTERS, Hamburg

Chicago wheat futures rose by more than 6 per cent on Monday to 14-year highs on concern global supplies will be disrupted until the Russia-Ukraine conflict is resolved.

Russia and Ukraine together account for about 29 per cent of global wheat exports, as well as 19 per cent of corn exports.

Since Russia launched the campaign it calls a "special military operation" on February 24, commodity markets have surged.

The wheat market rose over 40 per cent last week, its biggest weekly rise on record, and on Monday hit its highest since March 2008 at \$12.60-1/4 a bushel. Chicago Board of Trade most-active wheat rose 6.6 per cent to \$12.53-1/4 a bushel at 0927 GMT.

Corn on Monday rose 2.7 per cent to \$7.75-1/4 a bushel, soybeans rose 2.1 per cent to \$16.95-1/2 a bushel. Corn and soybeans are around their highest since September 2012.

"Until the fighting in Ukraine ends, it cannot be expected that wheat and corn exports from Ukraine and Russia will resume," one European trader said on condition of anonymity.

## China exports up as trade with Russia surges

AFP, Beijing

Chinese exports in January and February rose a combined 16.3 per cent on surging global demand and a spike in trade with Russia in the run-up to the war in Ukraine, according to customs data released on Monday.

The growth rate exceeded economists' expectations of a 15.7 per cent gain from a year earlier.

Shipments from the world's second-largest economy were valued at \$544.7 billion in the first two months, the data from the General Administration of Customs showed.

Exports to Russia rose 41 per cent compared to the same period in the previous year.

Trade data for January and February is usually combined to even out the impact of the extended Chinese new year holiday, which usually begins in one of those two months.

Imports rose 15.5 per cent to \$428.75 billion in the first two months of the year, leaving a Chinese trade surplus of \$115.95 billion.

# Singer Bangladesh's lion shareholder Arcelik plans to make Bangladesh into a regional export hub

Singer Bangladesh's lion shareholder Arcelik plans to transfer Bangladesh into its regional export hub, said its Chief Commercial Officer of Arcelik Global & General Manager of Arcelik Turkey Can Dincer.

In an interview with The Daily Star in Dhaka recently, Can Dincer Speaks on Arcelik values, strength alongside sharing its plans regarding Singer and Bangladesh.

Dincer, a Turkish mechanical engineer with a US Master's in Business, has been in Arcelik since the beginning of this three-decade career and he led the global home appliances giant's various operations across continents.

**Question: What are the key factors behind Arcelik investing in Bangladesh Market?**

**Answer:** First of all, I am very happy to be in Bangladesh which is one of the fastest growing country not only in South Asia but also as per different global ranking. We have a historical relationship with Bangladesh. As a Turkish citizen this makes me very happy to be here today.

We do believe in this country's future, its people, entrepreneurs and values. We value this very much and we want to be a part of these families as well.

We have intensively grown in Asia-Pacific in the last decade with investments in China, Thailand, Pakistan and India in a bid to establish a trade corridor along the historical Silk Road. Acquisition of SINGER Bangladesh, that is one of the fastest growing economies globally, is another significant step in our Silk Road strategy and it will further accelerate in the medium to long term. These market offers huge potential with its expanding middle class and young population.

We aim to build Bangladesh as a strategic regional hub within our operations. The growth in our industry will come from Asia-Pacific in the next decade, and Singer Bangladesh is a strategic investment choice for Arcelik. Having the eighth-largest population in the world, Bangladesh is a promising economy.

**Question: Tell us about the core strengths of Arcelik?**

**Answer:** Arcelik is a Brand that was born about 60 years back in an emerging country like Turkey and has become a global brand. It was possible because of three key factors - quality human resources, R&D and we are doing business in a sustainable manner. Whatever, we are earning from a country we are against investing those to the same country. Arcelik is one of the leading global home appliance manufacturers. It is the undisputed leader in its home market, Turkey, in white goods, built-in appliances, and air-conditioners.

Today, with over 40,000 employees throughout the world, 12 brands (Arcelik, Beko, Grundig, Blomberg, ElektraBregenz, Arctic, Leisure, Flavel, Defy, Altus, Dawlance, Voltas Beko), sales and marketing offices in 48 countries, and 28 production facilities in 9 countries, Arcelik offers products and services to many different regions of the world.

Arcelik is the market leader in Romania with Arctic brand, South Africa with Defy brand, and Pakistan with Dawlance brand. In Europe, Beko is the second best-selling brand and is the leader in the free-standing white goods market. Beko has been the leading brand in the U.K., and it is the market leader



in Poland and the free-standing segment of France.

Arcelik is part of Koç Group, Largest Investment Holding Company of Turkey, The only Turkish company in Fortune Global 500. Arcelik's transformation journey is now part of the curriculum at several universities worldwide, including Harvard.

**Question: Since Arcelik took over SINGER, what are the key areas of improvements so far?**

**Answer:** As Arcelik, we aimed to develop products suitable for our local customer's needs, in Bangladesh, by combining our technology and R&D capacity on a global scale with Singer's strong position in the Bangladesh market.

For example, recent SINGER introduced a new series of Refrigerators to its customers and these products have been developed exclusively to support Bangladeshi consumer needs with features Fresh-O-Logy, NutriLock, and Base Drawer Stand.

Singer Fresh-O-Logy is an innovative technology that helps keep the vegetables & fruits fresh up to 20 days while its NutriLock technology preserves vitamins (such as vitamin A and C) in fruits and vegetables in the crisper box by simulating the 24 hours Sun cycle. Base Drawer Stand allows users to store essential dry cooking ingredients such as onions, garlic, and gingers so on in a drawer under the refrigerator.

All these features are very relevant to the needs of Bangladeshi consumers. For innovating these features, we had to lots of ground works, including R&D keeping Bangladeshi consumers at the heart of the entire effort. You will see how we are adding value to the quality and R&D aspects of products, very modern technology, production process in Bangladesh. This is our promise to consumers of Bangladesh that we are ready to bring our best resources to Bangladesh.

**Question: Have you taken measures to strengthen the Brand?**

**Answer:** Singer Bangladesh has 117 years of history. Its motto was "Trusted for generations". Singer Bangladesh transformed its motto to "Embrace life now with Singer". The insights we got from our customers in Bangladesh showed us that they are very busy and working hard.

They want to improve their families' lives and not lag behind society. Consumers are looking for convenience not later but now. Singer is paying attention to consumers' modern-day needs. We transformed Singer's trusted brand perception in Bangladesh with the "embrace life now with Singer" slogan. We believe 'Brand' means sustainable trust between consumers and company. We will keep investing for SINGER brand in Bangladesh.

**Question: Digital platform has been an emerging market place in Bangladesh alongside brick and mortar stores. How are you going to cope with this in Bangladesh?**

**Answer:** In Arcelik We similar business model in Arcelik Global as we have in Bangladesh. We have developed a system of e-commerce connecting our dealers. We call it 'shared economy'. It means you share your profits with your dealer. We are exactly doing the same thing here.

In Europe, we follow the system of share economy – where we share our profit with our dealer. This is exactly we are doing here. Because of the strategy, Arcelik becomes the number one Omnichannel transformation company in Europe.

Let me explain, for example e-commerce giants Amazon or Alibaba, they are very big worldwide. On the other hand, small shop owners or dealers are being posed to future danger. Due to those e-commerce giants. And our company, we create an e-commerce system together with our dealers. In the future, we planning to tell the same success story in Bangladesh. We believe, our dealers, shops and e-commerce, all are under Singer family.

Arcelik has become a case study in Harvard University and I went there several times to share the philosophy of Arcelik. Share economy is one of our main philosophies, we share our profit with our dealers and retailers.

**Question: How do you plan to address the challenge of local consumer durable brands dominating the market?**

**Answer:** First of all, we always believe in competition and we always respect our competitors in all countries for sure. As you said there are strong players in Bangladesh market as well.

Our target is to bring latest technologies to the country, to offer high quality and energy efficient products thus make consumers' life easier. We are putting more emphasis in adding these values instead of looking at the number first. We want to increase the expectation level of Bangladeshi Home Appliances users. And at the end of the brand offering good services and products will win the game. This is a global rule and now we want to win the heart of consumers of Bangladesh.

**Question: From the experience of operating in Bangladesh market how do you evaluate the prospect of the economy of Bangladesh?**

**Answer:** Bangladesh is one of the fastest-growing economies in the world, and it will further accelerate in the medium to long term. Its GDP growth trend till the break out of the pandemic had been phenomenal. Bangladesh yield the highest economic growth in this region even during the pandemic when most of the South Asian countries yielded negative growth.

Besides, lots of infrastructure development works have been going on. We all know that other Bangladesh is one of the top an exporting countries in Readymade Garments category. The country has the potential to transform into an export hub in many other product categories as well. As Arcelik Global, we are already investing for SINGER and we will invest more. We want make Bangladesh as one of our export hub for this region.

We want to start exporting industrial good that are being produced in Bangladesh. In addition to exporting RMG, this country has very good potential to export industrial good, such as home appliances.

**Question: Would you like to give any indication on your future investment plan in Bangladesh?**

**Answer:** Recently, we have finalized the acquisition of the famous Japanese Brand Hitachi. It shows that we are always looking for opportunities.

Since the acquisition of SINGER Bangladesh, we have had a \$9.4 million technology investment. Given our medium and long term goals in Bangladesh market, we need to invest more into different aspects of the business. It is a continuous process.

We are undergoing a number of new projects which obviously needs more investment. However, we will be sharing the specifics of these investment plans at the right time. We have further investment plans in facilities, production, product range, and marketing and communication.

**Question: How important 'sustainability' is Arcelik's overall business strategy and how are you going address it in Bangladesh?**

**Answer:** We have to make all our investment keeping the sustainability aspect into consideration. Otherwise, there will not be a world to live in after 2053. I have responsibilities to my children to make them inherit a planet to live and as a company we want to ensure a sustainable world. Globally, we have been the first 'Zero Carbon' company. We will maintain the same standard in Bangladesh.

**Question: How do you evaluate the Turkey-Bangladesh relationship?**

**Answer:** I think these two countries discover each other everyday. And as big company, we want to contribute more to the relationship between Bangladesh and Turkey. The bilateral trade between the two countries is worth more than \$1 billion. Bangladeshi export items to Turkey have been dominated by apparel products. The shipbuilding industry of Bangladesh has also been identified as a potential sector for Turkish investment.