

## LankaBangla Finance, Rangs Ltd sign MoU

STAR BUSINESS DESK

LankaBangla Finance Ltd (LBFL) signed a memorandum of understanding (MoU) with Rangs Ltd for its customer privilege.

Khurshed Alam, head of retail finance of LBFL, and Mohammad Hamdur Rahaman Simon, chief executive officer of Rangs, signed the MoU at the latter's head office in Dhaka recently, a press release side.

Under this MoU, customers of the non-bank financial institution will enjoy discounts on vehicle price, spare parts and servicing from the local industrial conglomerate.

Abu Sayed, head of auto loans at LBFL, HM Pervez Khan, senior manager, Ashif Sorwar Khan, head of private sales at Rangs Ltd, and Tanvir Haider Shubho, head of marketing, were present.

## Tough to find alternative to Russian thermal coal Japan utilities group head says

REUTERS, Tokyo

Alternatives for Russian thermal coal are difficult to find as the market is getting tighter, the head of a group representing Japanese utilities said on Friday.

"We want the government to provide maximum support (on the issue)," Kazuhiro Ikebe, the chairman of Japan's federation of electric utilities, told a news conference.

The Japanese government said earlier this month that it would ban coal imports from Russia in a broad escalation of sanctions after gradually reducing imports while looking for alternative suppliers.



Customers arrive in their droves to size up products on display at a fair organised by Khulna Press Club on its premises yesterday marking Eid-ul-Fitr. Around two weeks away, this celebration of the Muslim faith ushers one of the peak seasons for the sale of clothes and fashion accessories. The photo was taken yesterday.

PHOTO: HABIBUR RAHMAN

# Lankan bondholders brace for losses in debt restructuring

REUTERS, Washington

Some big US banks have again started stockpiling cash to cushion potential loan losses due to growing worries over the war in Ukraine and the impact of inflation on the US economy, although trading continues to be bright spot for Wall Street.

JPMorgan Chase & Co, Goldman Sachs Group Inc and Citigroup Inc combined put aside a \$3.36 billion in credit loss reserves in the first quarter, the banks said.

That's a reversal from the past 12 months when lenders released reserves after Covid-19-related losses failed to materialise, signaling lenders believe the economic rebound from that crisis may be short-lived as inflation soars and the Ukraine conflict roils markets and dampens global growth.

"The prospect for higher rates and slowing economic growth likely mean increased credit losses," said Tim Ghriskey, senior portfolio strategist at Ingalls & Snyder in New York.

"The banks do not see much in the way of current economic problems, just the likelihood that weaker economic

conditions are likely to develop."

Citigroup, the most global US bank, bore the brunt, adding \$1.9 billion to its reserves related to its Russia exposure and the war's broader macroeconomic impact. The bank's executives said it could lose \$2.5 to \$3 billion on its Russia exposure.

JPMorgan, the country's largest lender, on Wednesday added \$902 million to its reserves, driven by "the probability of downside risks due to high inflation and the war in Ukraine," as well as accounting for Russia-associated exposure. It has said it could lose \$1 billion on its Russia exposure over time. Goldman likewise cited "macroeconomic and geopolitical concerns" among other reasons for its \$561 million provision and said it will take a \$300 million first quarter hit on Russia.

Soaring inflation could dent consumer spending while aggressive Federal Reserve interest rates rises aimed at reining-in prices will likely crimp loan growth, analysts said.

The war in Ukraine and Western sanctions could knock more than 1 per cent off global growth this year and add two and a half percentage points to inflation,

the OECD has said. Still, some banks like Morgan Stanley N) and Wells Fargo & Co have little direct Russia exposure. Wells Fargo, a domestic focused bank with a small capital markets business, actually released \$1.1 billion of pandemic reserves.

A Citibank branch, which was seized by an unknown man who threatened to blow himself up, is seen in central Moscow

Wells chief executive Charles Scharf nevertheless warned on the economic outlook in a change of tone from previous quarters, noting rate hikes will "certainly" reduce growth. "The war in Ukraine adds additional risk to the downside," he added.

Wells Fargo's shares were down 6 per cent and Citi's were up nearly 2 per cent.

Banks' trading businesses, however, performed better than analysts had anticipated as clients rejigged portfolios in response to expected rate hikes and the war.

Analysts had forecast trading revenue declines of 10 per cent to 15 per cent across the board compared with 2021 when central bank moves to stimulate the economy amid the pandemic saw equity indexes hit record highs and drove a trading bonanza across Wall Street.

## StanChart showcases Bangladesh's growth through roadshow

STAR BUSINESS DESK

Standard Chartered Bangladesh hosted a roadshow for global investors and lenders to help local businesses build lasting relationships with leading investment and lending institutions from the Middle East, Europe, and Asia.

With the participation of 121 individuals representing various lending organisations and institutional investment bodies from the Middle East, Europe and Asia, the roadshow was organised in collaboration with Standard Chartered's regional financing solutions and distributions team, a press release said.

As a part of the roadshow, designated speakers outlined recent business developments, shared outlook for high-potential sectors, and showcased notable success stories in Bangladesh.

Speakers reflected on how despite current challenges, Bangladesh has maintained steady growth while exhibiting high levels of resilience and grit. "As a nation, Bangladesh is at a point of inflection. Stable macroeconomic indicators in conjunction with strong post-pandemic recovery measures have established our nation as one of two Asian economies delivering constant growth despite the current market uncertainties," said Naser Ezaz Bijoy, chief executive officer of Standard Chartered Bangladesh.

Enamul Huque, managing director for client coverage, head of corporate, commercial and institutional banking at Standard Chartered Bangladesh, Muhit Rahman, managing director and head of financial markets, and Md Maroof ur Rahman Mazumder, executive director and head of financing solutions, also joined the event.

## Sri Lanka halts share trading

AFP, Colombo

Sri Lanka on Saturday announced a five-day share trading halt after the crisis-hit country hiked interest rates and declared a default on its external debt during the traditional New Year holiday, as trade unions and top cricket stars joined protests demanding the president's resignation.

The move came ahead of Colombo's planned talks with the International Monetary Fund in Washington on Monday to negotiate a bailout as the country has run out of foreign exchange to finance even the most essential imports.

The island nation is grappling with its worst economic downturn since independence in 1948, with regular blackouts and acute shortages of food and fuel in addition to record inflation.

The crisis has caused widespread misery for Sri Lanka's 22 million people and led to weeks of anti-government protests.

Several trade unions joined demonstrators laying siege to President Gotabaya Rajapaksa's seafloor office for an eighth straight day Saturday demanding that he and his government quit, with thousands of health sector trade workers marching to the Galle Face promenade to join the protest.

Colombo Stock Exchange officials said they were under pressure from brokers and investors not to reopen on Monday to prevent an anticipated collapse of the market.

## Bridge the gap between

FROM PAGE B4

Are there any other initiatives?

We recently launched a Career Hub in 10 locations across the country with UNICEF and BRAC. This initiative is supported by Generation Unlimited and UNICEF. There were nearly a thousand youngsters who attended the programme.

We have a great programme called Imagine Ventures, which is a news-led social innovation. This is for youngsters who are creating new ventures to contribute to SDGs. It is in Bangladesh and 42 other countries.

What would you say were the hurdles that you have faced since operating in Bangladesh?

One of the biggest obstacles is accessibility. Youngsters in the last-mile communities, who are the farthest behind and most vulnerable, can be hard to reach.

I visited a tea garden in Sylhet recently and I remember the quote, "99 out of 100 families do not have a smartphone at this tea garden". So, people don't have access to the devices they need and that's a huge issue for the country going forward.

At the career hub launch, we talked a lot about matching: are young people with skills being matched with jobs? Again, technology can play a powerful role there.

There are some fundamental challenges. We had a meeting with the Grameenphone CEO and he reminded me that Bangladesh leapfrogged land connections. Now the entire country is slowly coming online via smartphones.

Adding to what you

said, one good aspect of Bangladesh as a country is that people are very good at adapting. What's your take on this?

One of the big strengths here is the innovation culture -- the entrepreneurial essence of the country.

I talked to a lot of young students recently. In Sylhet, I visited eight or nine different classrooms. I asked youngsters if they want to work for a corporation or start a business. In one of the classes, 90% said they want to start a business or do freelancing. In other classes, it was an even split between corporate work and entrepreneurship. So, there is a real sense of entrepreneurial essence in Bangladesh. People are always finding ways to generate livelihood.

What are your expectations from the private sector? How can they help in the long term?

Corporations are aware that graduates don't have the skills they need. Corporations want work-ready cohorts of professionals - graduating with future-ready skills to drive businesses forward.

If you look at the demographic of Bangladesh, youth is the largest cohort. You also see companies wanting to give back and engage, partially because those young people will also become their customers.

What is the long-term impact that you see with this new initiative?

We are at the start of a journey. We were founded in 2018, got going in 2019, and then Covid-19 hit us.

Our vision is that by 2030, we would like to reach 500 million youngsters with opportunities for skills and connections to employment, entrepreneurship and social impact opportunities.

We think we can achieve our goals by harnessing the power of technology.

Is there anything you would like to add to this conversation?

Business and youth are our two core constituents. The most important message I would have for young people is: you need to build skills for future work; skills that connect to jobs.

We need the private sectors on the table actively to engage and push the education system to define what skills are necessary and how the curriculum needs to change.

## Commercial

FROM PAGE B4

He said that commercial snail cultivation is a new concept in his village and the dish remains largely outside of most diets in the country despite being a highly nutritious food.

Hrishi urged the government to take the initiative to begin exports of locally processed snail meat.

Professor Maruf Hossain, chairman of the Food Processing and Preservation Department of HSTU, said snails are a major source of protein.

"And as there is high demand abroad, the export initiative of processed snail meat could help earn revenue, and the farmers will benefit," he added.

## Tongi tailback

FROM PAGE B1

police to be deployed at congestion-prone zones.

He said Bangladesh Police should be strict in preventing extortion on the roads and the FBCCI would send a letter to the home affairs minister and inspector general of police in this regard.

He also called for using more ferries and trips at Mawa and Aricha ferry ghat to prevent long tailbacks of buses and trucks.

Law enforcers illegally collect money every night at Joykali Mandir and Ittefaq intersection in the capital, alleged Ramesh Chandra Ghosh, president of Bangladesh Bus Truck Owners Association and the committee chairman.

The public transport sector was affected the most amidst the pandemic, he said, calling for policy protection for the next three years.

Other committee members said broken roads and potholes eat away at the economic life of vehicles.

FBCCI Vice-President and the committee Director in-Charge Aminul Haque Shamim said despite remaining shut for 18 months, the public transport sector received no government assistance.

The vehicle owners are having to regularly pay loan instalments to avoid turning into defaulters, even in cases where they have no income, he said.

He urged the government not to impose any further tax or duty on tires, tubes and other parts in the next financial year's budget.



Arif Quadri, managing director of United Commercial Bank (UCB), and Uzma Chowdhury, director of Pran-RFL Group, hold signed documents of a supply chain financing agreement at the lender's corporate office in Dhaka yesterday. Nabil Mustafizur Rahman, additional managing director of UCB, and Farzana Rahman, deputy manager for corporate finance at Pran-RFL Group, were present.

PHOTO: UCB



Anwarul Azim Arif, chairman of the Islamic Banks Consultative Forum (IBCF), presides over its seminar titled "Islamic Banking System: with Reference to National Integrity and Ethical Banking" at Pan Pacific Sonargaon Dhaka on Saturday. Abu Farah Md Nasser, deputy governor of Bangladesh Bank, Mohammed Haider Ali Miah, managing director of Exim Bank, Mohammed Monirul Molla, managing director of Islami Bank Bangladesh Ltd, Syed Wasek Md Ali, managing director of First Security Islami Bank Ltd, and Zafar Alam, managing director of Social Islami Bank Ltd, were also present.

PHOTO: IBCF

## StanChart cuts 7 minnow businesses

REUTERS, London

Standard Chartered is leaving seven countries in Africa and the Middle East where it is sub-scale as it seeks to improve profits by narrowing its focus to faster-growing markets in the region, it said on Thursday.

The bank will fully exit Angola, Cameroon, Gambia, Jordan, Lebanon, Sierra Leone and Zimbabwe, likely by trying to sell its

business in those markets.

It will also close its retail banking operations in Tanzania and Ivory Coast to focus solely on corporate banking.

The move marks a major shift for Standard Chartered, which has been among the biggest European lenders to invest in the continent in recent years at a time when peers have been withdrawing.

The cuts would allow it to focus

on bigger and faster growing economies in the region, such as Saudi Arabia where it has opened its first branch, and Egypt.

Prior to the announcement, StanChart operated in 15 African markets and 10 in the Middle East, employing around 15,000 staff, a major presence that had made it "unique among global banks" in the region, according to Citi analyst Yafei Tian.