

Star BUSINESS



BB employees banned from overseas trips Bid to save foreign currencies

STAR BUSINESS REPORT

Bangladesh Bank officials and employees will not be able to make any kind of foreign trips from now on except for some emergency purposes as part of the central bank's efforts to prevent the foreign currency reserves from sliding further.

The central bank issued a circular to this effect yesterday.

According to the notice, the officials and employees will refrain from participating in all types of exposure visits, study tours, workshops and seminars abroad under the partial or full finance of the BB.

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They can, however, make foreign tours only for medical and hajj purposes. Besides, they will be able to go abroad to take part in training with full funding from foreign organisations, according to the notice.

The BB also cancelled all approval already extended to its officials and employees for foreign trips, except for those related to hajj and medical purposes and training fully funded by organisers.

In order to ease pressure on foreign exchange reserves, the government on May 11 decided to stop foreign trips of its officials and postponed the implementation of less important projects that require imports.

On May 16, the Finance Division said the employees of autonomous, state-owned, semi-government organisations and state-owned banks and financial institutions can't go on overseas trips.

Reserves fell to \$41.92 billion last week owing to soaring imports. It was \$46.15 billion on December 31.



Workers on daylong contracts unload coal from a vessel at Gabtoli in the capital recently. Soaring prices of essentials, resulting from supply disruptions, record high freight costs, and the Russia-Ukraine war, along with increased house rents are eating much of the incomes of low-income groups and poor families.

PHOTO: AMRAN HOSSAIN

RISING LIVING COSTS derail economic recovery of poor

SOHEL PARVEZ and SUKANTA HALDER

When his children ask Russel Shaikh why there is no meat and even fish in their meals, he has no answer. This is because he simply has no choice as soaring prices of essential commodities and the rising cost of living have hit hard the pockets of the low-income people like him.

"I can't afford it," said Russel, in a broken voice while he was sharing the ordeals he has been facing nowadays.

The father of two was forced to go back to his village in the southern district of Pirojpur after losing jobs to the onslaught of the coronavirus pandemic in November 2020 and stayed there for five months. He began to see his wages recovering after the resumption of economic activities.

Beginning with a maximum of Tk 300-400 a day, the day-labourer started earning Tk 650-700 at the end of 2021, which promises that better days might be ahead for his family.

His dream, however, is now shattered. The soaring prices

of essentials, resulting from supply disruptions, record high freight costs, and the Russia-Ukraine war, along with increased house rents are eating much of his income.

From rice, edible oil and pulses to potato, onions and eggs, prices are higher now

pandemic and raising the risk for many families to slip back into poverty again.

Officially, the rate of poverty did not see any change despite the income and job losses caused by the pandemic. Several research organisations found in their surveys that the

crisis gradually and moving forward. Now, the increased prices of essentials have made it tougher," Russel said.

Khairul Islam, a street vendor who sells t-shirts and accessories in the Mirpur-1 area, also has a similar story to share.

When the coronavirus pandemic spread in the country, he lost his income and he had to depend on the handouts he received from the people in the locality.

His sales picked up before Eid-ul-Fitr, the biggest spending season in Bangladesh. But since the festival is over, sales have fallen again and come down Tk 500-600 per day now.

"The big reason is the increase in the prices of almost every essential item," said the 29-year-old hawker.

"I had thought I would be able to overcome the Covid-19 crisis and return to the pre-pandemic level. But as the days go by, it seems that it will not be possible anymore."

He used to eat fish every day before the latest price hike. Now, he can afford only vegetables.

"I had been overcoming the

than a year ago, which are forcing him to count more of his hard-earned income to make a living.

Like Russel, tens of thousands of low-income groups and poor families now face a similar situation.

Inflation shot up to a 17-month high of 6.22 per cent in March. And the rising consumer prices are threatening the recovery of many poor and vulnerable families rebounding from the



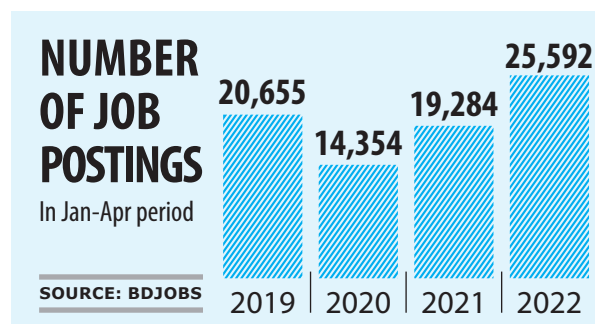
Online job postings skyrocketing

MAHMUDUL HASAN

Online job postings have continued to be made in large numbers in the past eight months since September last year, sometimes even surpassing pre-pandemic levels, seeking manpower in garments, marketing, IT and logistics as fears over the virus subsided.

People of different sectors said the job market had plummeted in March 2020 when the virus appeared in Bangladesh.

However, job openings started to pop up at an accelerated pace from September last year as the Covid-19 situation began to improve.



And from the beginning of this year, job openings reached a new height as the need for manpower in places where physical presence is a must rebounded strongly.

However, experts suggest that a large number of unemployed graduates would continue to prevail in the market for a huge mismatch between the skills demanded by sectors and what universities supply.

Bangladesh's largest job site, bdjobs.com, witnessed

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A mother and son go round collecting whatever is edible off a watermelon field in Aushkhali area of Khulna's Batiaghata upazila, which, along with Dacope and Koyra upazilas are renowned for producing the summer fruit. With traders traditionally buying harvests right off the fields, each bigha had fetched farmers as much as Tk 1 lakh prior to Eid-ul-Fitr. But currently market demand is on a downward trend, so much so that each bigha is failing to bring in even Tk 20,000. The photo was taken yesterday.

PHOTO: HABIBUR RAHMAN

Ease fund sourcing for non-banks

Experts urge govt

STAR BUSINESS REPORT

Ensuring good governance and easing liquidity sourcing are necessary to bring back the good days for the non-bank financial institutions (NBFIs), said experts yesterday.

There is no doubt over the fact that the NBFIs sector is suffering from a liquidity crunch for the malpractices of a few companies, said Shamsul Alam, state minister for planning.

So, Bangladesh Bank should think of ways to provide support to the sector, he said.

The bond market can be a good source of funding, so it should be strengthened, he added.

His comments came in a meeting organized by the Bangladesh Leasing and Finance Companies Association (BLFCA) and Daily Bonik Barta in Pan Pacific Sonargaon Dhaka.

The meeting was a part of Bangladesh's first-ever daylong NBFIs Fair, inaugurated by Industries Minister Nurul Majid Mahmud Humayun and in which 15 NBFIs participated.

Alam said the NBFIs play an important role in providing loans to small and medium enterprises (SME) and non-government organisations while the SME sector was a major engine for creating jobs.

"So, we should stand beside the NBFIs sector in their crucial time," Alam added.

Bangladesh Bank Deputy Governor Ahmed Jamal said the NBFIs sector was passing a period of crisis.

If the NBFIs sector had the strength, it could have met all the nation's demand for long term loans, which would have given relief to the banking sector, he said.

However, now the banking sector was suffering for giving out long-term loans whereas the leasing companies were formed to specifically give out such types of loans, he said.

The NBFIs sector needs to ensure good corporate governance for their own safety. But the challenge is that some of the NBFIs did not even properly maintain their accounts, he said, adding "even a shopkeeper maintains an account".

Ensuring good governance, internal discipline, proper liquidity management and risk management is necessary for the NBFIs sector, Jamal added.

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STOCKS	
DSEX	CASPI
1.46% 6,309.91	0.90% 18,575.15

COMMODITIES	
Gold	Oil
\$1,812.43 (per ounce)	\$112.71 (per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
0.20% 54,208.53	0.94% 26,911.20	0.73% 3,225.01	0.25% 3,085.98

BB relaxes rules for pre-shipment finance

STAR BUSINESS REPORT

Bangladesh Bank yesterday further relaxed the rules for availing loans from its pre-shipment refinance scheme to the tune of Tk 5,000 crore in a bid to help exporters smoothly produce their goods.

Exporters are now allowed to avail soft loans from the central bank scheme at 3.5 per cent instead of the previous 5 per cent, according to a notice issued yesterday.

Bangladesh Bank had initially set the interest rate at 6 per cent on end-users but it decreased the rate in phases as clients showed reluctance to get the fund.

Similarly, banks are also permitted to enjoy the loan at 0.5 per cent interest in contrast to the previous 1 per cent.

The central bank declared the scheme, which has a five-year

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