RFL dealer conference held in Thailand

STAR BUSINESS DESK

RFL Group organised a conference in Thailand recently for top dealers of brands Good Luck Stationery, Winner Hotpot, Clean Cleaning Brush, Mother Touch Baby Feeding, Sunny Toothbrush, TEL Plastics, Rainbow Paints, Italiano Melamine and Getwell Medical Appliances.

RN Paul, managing director of RFL Group, inaugurated the conference at a Bangkok hotel, said a press release.

Energy crisis grips Australia

AFP, *Sydney*

Australians have been warned to expect blackouts across the densely populated east coast on Tuesday, as an energy crisis grips one of the world's biggest coal and gas producers.

The Australian Energy Market Operator warned there could be significant power shortfalls in the states of Queensland and New South Wales, which are home to more than 13 million people.

It also issued notices for a forecast of reserve shortfalls in the states of Victoria, South Australia and Tasmania.

Newly elected Prime Minister Anthony Albanese blamed the energy crisis on the previous government, which was in power for nearly a decade.

"The consequences of the former government's failure to put in place an energy policy is being felt right now," he told reporters in Brisbane.

Albanese said "all things are on the table" as his government examines how to ease the crisis, which has dominated his centre-left government's first weeks in power.

Limes brought for sale at Atghar Kuriata Bazar in Pirojpur's Nesarabad upazila where a market for agricultural produce sits every Monday and Friday. Farmers can sell 80 pieces for Tk 100 to Tk 130 when limes are in season from the Bangla month Baishakh to Shraban (mid-April to mid-May). A day's sale of limes in the market can reach anywhere from Tk 1 lakh to up to Tk 1.5 lakh. The photo was taken last week.

PHOTO: TITU DAS

UK jobs market loses some of its inflation heat

REUTERS, *London*

Britain's jobless rate rose for the first time since late 2020 and other measures of the country's hot labour market cooled, potentially easing inflation worries at the Bank of England which is due to raise rates again this week.

With surging inflation weighing on the economy's recovery from the Covid-19 pandemic, official data showed the jobless rate edged up to 3.8 per cent in the three months to April from 3.7 per cent in the previous labour market report for the three months to March.

The increase was the first since the last three months of 2020. Economists polled by Reuters had expected the unemployment rate to fall to 3.6 per cent.

The rise partly reflected a drop in the economic inactivity rate for working-age adults, which measures people who have dropped out of the labour market altogether and therefore had not shown up as unemployed. It fell by 0.1 percentage points to 21.3 per cent for the February to April period, driven mostly by students seeking work.

"We may be nearing a turning point for the labour market as creeping uncertainty results in employers taking their foot off the accelerator," Jack Kennedy, an economist at recruitment website Indeed, said.

Although growth in vacancies slowed, they hit a new record high and the fall in the inactivity rate still left it well above pre-pandemic levels, meaning the jobs market remained extremely tight, Kennedy said.

Sterling slipped against the dollar after the data and shorter-maturity British government bond yields eased off recent multi-year highs as investors dialled back their expectations for how much higher the BoE is likely to raise borrowing costs.

The British central bank is expected to raise interest rates again on Thursday as it tries to stop the recent jump in inflation from turning into a longer-term problem if employers' resort to increasing their pay sharply to fill vacancies.

Data on Monday showed Britain's economy unexpectedly shrank in April, adding to fears of a sharp slowdown.

A further 177,000 people were employed in the three months to April compared with the previous three-month period, more than the median forecast for a 105,000 increase in the Reuters poll, while the number of unemployed fell by 47,000.

In April alone employment fell by 254,000 and the jobless rate jumped to 4.2 per cent from 3.5 per cent in March, although single-month figures can be volatile as a measure of the economy.

Tuesday's data showed growth in regular pay picked up slightly to 4.2 per cent in the three months to April, despite expectations that it would slow. But growth in total pay, including bonuses, slowed to 6.8 per cent from 7.0 per cent.

Many employers have resorted to one-off incentives to attract and retain staff.

Despite the relatively high levels of pay growth, incomes of workers are being eroded by the recent leap in inflation caused by the reopening of the global economy after the coronavirus pandemic and Russia's invasion of Ukraine. Using Britain's consumer prices index, real-terms total pay was 0.5 per cent lower than a year before, the biggest drop since August 2020 when many workers were on reduced furlough pay.

'Uttoron to create skilled welders in Khulna Shipyard'

STAR BUSINESS DESK

Bangladesh's productivity has increased but the country is still struggling for a lack of skilled labour force, said Dulal Krishna Saha, executive chairman of National Skills Development Authority.

"If we can teach skills to the youth, they will contribute to the country's growth," he said during a visit to Khulna Shipyard recently for an understanding of an "Uttoron -- Skills for better life" project.

The three-year project is currently being implemented by Swisscontact-Swiss Foundation for Technical Cooperation in Sylhet, Dhaka and Khulna divisions with funding from Chevron.

An advanced welding training programme is being run under the project in Khulna Shipyard. Some 24 trainees of the first batch received their training completion certificates recently from testing, inspection and certification company Bureau Veritas.

"This training will help the youth be skilled and contribute to the economy," said Saha.

He was accompanied by Muhammad Imrul Kabir, director for corporate affairs at Chevron Bangladesh, while M Shamsul Aziz, managing director of Khulna Shipyard, was present, said a press release.

Turkey laying Black Sea gas pipeline

AFP, *Istanbul*

Turkey's president hailed on Monday the start of the construction of an underwater pipeline to tap a Black Sea natural gas field that the government hopes will help wean the country off its dependence on energy imports.

President Recep Tayyip Erdogan watched via video link as the first pipeline section was laid and connected to the seabed from the port of Filyos, around 400 kilometres (250 miles) east of Istanbul on the Black Sea coast.

He said the Sakarya gas field could produce 10 million cubic metres (353 million cubic feet) by the first quarter of 2023.

The Sakarya gas field, 170 kilometres out to sea, was discovered in August 2020.

At the time, Erdogan described it as "the largest natural gas field in Turkey's history", citing estimated reserves of 320 billion cubic metres.

"The Sakarya field will hopefully reach its peak production in 2026," Erdogan said on Monday.

"We will continue our efforts until we can fully ensure our energy security," he added.

Turkey is still highly dependent on imports to cover its energy needs and is paying a high price, especially following Russia's invasion of Ukraine.

Last year 45 per cent of the gas used in Turkey came from Russia, and the rest from Iran and Azerbaijan.

Inflation in the country is running at 73.5 per cent, a rate not seen since 1998, and the currency is in free fall -- making the cost of living hard to bear for most Turks.

Unlocking the power

FROM PAGE B4

been human-intensive, making them inefficient. Operations ranging from disbursements to repayment collections remain dependent on physical cash. Client information continues to be captured through paper-based forms; monitoring, assessment, and training continue to be conducted through physical visits and meetings.

The solution to this? Digital transformation.

Driven by the government's objective to build an inclusive digital financial ecosystem and the emergence of numerous interesting pilot projects, it has become essential for the micro-finance sector to adopt increased and disruptive digitalisation.

The current state of digitalisation in Bangladesh's micro-finance sector remains nascent. Most MFIs have migrated to a real-time loan management system and centralised database (which provides a foundation for future automation).

Generally, MFIs have financial accounting software integrated with their loan management systems. A few leading MFIs rolled out pilot projects for cashless loan disbursements and collection repayments via mobile wallets during the pandemic. Given the success of and need for MFIs, the adoption of more advanced technologies may not be too far off.

Digital interfaces offer solutions, slash costs, and increase efficiency, and remove human contact from the equation. What the MFIs have, and what technology cannot replicate is their connection with customers.

Technology can enable automation, productivity, and standardisation in lending and administrative operations, but the nuanced and contextual insights that come from face-to-face interaction are crucial, especially for group-based lending.

Blockchain, cloud infrastructure, big data, and the likes are only as valuable as the value they bring to beneficiaries. MFIs need to balance digital and human aspects.

In today's world, the convergence of technology and data creates unique circumstances. New sources of data can boost access to finance and benefit previously unbanked populations. Usage and recharge data for mobile phones or even mobile wallets can be leveraged to create credit scores. As a result, personal data protection, data governance, and cybersecurity will become increasingly relevant and necessary.

Developments in the fintech (financial technology) sphere and current regulatory frameworks have created the perfect atmosphere for the introduction of a new generation of financial firms. Nimble and customer-centric, these firms will operate in spaces occupied by large financial institutions, in addition to spaces that aim to reach the unbanked and under-banked and they will do so profitably.

In a country that has proven to be a hotbed for inclusive financial innovation, these firms will join the fight against poverty. Each sector of the financial services industry will be impacted by these firms in the not-too-distant future. To keep up, MFIs will need to address these forces of disruption by becoming disruptive themselves.

The task ahead is to foster an ecosystem that fully captures the opportunities being unleashed across industries.

The Microcredit Regulatory Authority (MRA) is responsible for promoting the sustainable development of MFIs. With a conducive regulatory system, digital financial inclusion ecosystems can thrive.

The potential of digital financial inclusion in enhancing economic growth, narrowing income inequalities, and reducing poverty is immense. By building a collaborative ecosystem and fostering innovation, we can lead transformation across this vital sector and drive sustainable and inclusive development.

Ultimately, in order to enable successful digital transformation, innovation and technology will need to blend with the core values, human capital, systems, and processes that define MFIs and the important work that they do.

The author is head of client coverage, corporate, commercial and institutional banking at Standard Chartered Bangladesh

EU turns to Israel

FROM PAGE B4

March on establishing the legal framework to enable more Israeli gas exports to Europe via Egypt.

Another option would be the EastMed project, a proposal for a seafloor pipeline linking Israel to Greece and Italy via Cyprus.

But US President Joe Biden's administration has questioned the viability of the project, given its huge cost and the time it would take to complete.

Speaking alongside Israeli Prime Minister Naftali Bennett in Jerusalem, Draghi said Italy and Israel were "working together on the use of gas resources from the eastern Mediterranean and for the development of renewable energy".

"We want to reduce our dependence on Russian gas, and accelerate the energy transition towards the climate goals we have set ourselves," Draghi added.

Bennett described Europe's need for alternative gas supplies as "good news." An Israel-Turkey pipeline project, estimated to require three years and $1.5 billion, is another option to get Israeli gas to European markets.

Bennett directed fresh criticism at Israel's northern neighbour, Lebanon, with which it remains technically at war.

The two countries have a long-running maritime border dispute and Washington has been brokering talks aimed at demarcating a border and allowing both sides to ramp up exploration.

Lebanon had backed away from the talks, but Israel has urged Beirut to re-engage.

"I look forward to the day Lebanon will decide to take advantage of the natural gas in its economic water," said Bennett.

"It's a shame that Lebanon's leadership, instead of extracting gas for its people, is busy fighting internally and externally," he added.

Israel is estimated to have gas reserves of at least one trillion cubic metres, with domestic use over the next three decades expected to total no more than 300 billion.

Von der Leyen was due to hold talks with Bennett later Tuesday, before travelling on to Egypt.

Selim RF Hussain, chairman of the Association of Bankers, Bangladesh (ABB), presents a bouquet to Fazle Kabir, governor of Bangladesh Bank, at an ABB Cyber Security Summit at Pan Pacific Sonargaon Dhaka in the capital on Sunday. The association's members and bank managing directors and chief executive officers were present.

PHOTO: BRAC BANK

Md Nurul Afser, deputy managing director of Electro Mart, inaugurated a sales and display centre in Khulna city recently. Md Nurul Azim Sunny, director, and Md Julhak Hossain, senior manager for retail sales, were present.

PHOTO: ELECTRO MART

Global oil demand growth to slow

FROM PAGE B4

Opec supply policy might develop.

An Opec delegate and another source familiar with Opec thinking said they expected world demand growth of 2 million barrels per day (bpd) or less in 2023, a rise of just 2 per cent, compared with growth of 3.36 million bpd expected in 2022.

"Even if it is only 1 million bpd, that is still growth and not a peak," the delegate said of the outlook for next year. Opec is expected to publish its first demand forecast for 2023 in its monthly report on July 12, an Opec source said.

The IEA, which advises Western governments on energy policy, will give its first 2023 demand forecast in a monthly report on Wednesday, an IEA spokesperson said.

Opec is watching for signs that high fuel prices will lead to oil demand destruction. Two more Opec delegates said demand destruction is likely to take a toll on oil use in coming months, although one of them said there was little sign of it yet in the United States, citing recent gasoline demand data.

A senior industry source at a trading firm, not affiliated to the IEA or Opec, also said he expected lower demand growth in 2023, saying his initial estimates pointed to demand growing by 2 million bpd or less, down from 2.6 million bpd growth in 2022.

"Crude at $120 a barrel is causing demand destruction," he said. "It is already happening."

Oil demand forecasters often have to make sizeable revisions given changes in the economic outlook and geopolitical uncertainties, which this year included Russia's invasion of Ukraine and recent Chinese coronavirus lockdowns.