

47 get Walton's branding award

STAR BUSINESS DESK

Walton, an electric and electronic products manufacturer of Bangladesh, honored its 47 distributors, various employees and enterprises with the Branding Heroes Award for their outstanding contribution in raising sales growth through root-level creative branding under its digital campaigns.

Golam Murshed, managing director of Walton Hi-Tech Industries PLC, handed over crests and certificates to the awardees at the company's corporate office in Dhaka on Wednesday, a press release said. Murshed tipped the awardees as "extraordinary soldiers", stating that great achievement comes from teamwork and strong willpower.

"We can achieve success with hard work in a united way. We need to change ourselves first to bring a collective change in the society," he said.

Nazrul Islam Sarker, Amdadul Haque Sarker, Eva Rezwana Nilu and Humayun Kabir, deputy managing directors of the company, Mohammad Rayhan, chief executive officer of Walton Plaza Trade, SM Zahid Hasan, Firoj Alam, Tanvir Rahman, Ariful Ambia, Shakhawat Hossen and Amin Khan, senior executive directors, and Shahiduzzaman Rana, executive director, were present.

China's Ant Group net profit plunges

REUTERS, Shanghai

China's Ant Group on Wednesday logged net profit of 11.38 billion yuan (\$1.68 billion) in the quarter to March, down 17.3 per cent from a year earlier, according to Reuters calculations from Alibaba Group Holding Ltd's earnings report.

The e-commerce giant reports its profit from Ant one quarter in arrears.



Workers construct frames out of metal rods and wires for use in the piling process of high-rise buildings. Working together from sunrise to sunset, they can make 10 such frames of 50 feet each, earning Tk 550 per person. The photo was taken recently.

PHOTO: HABIBUR RAHMAN

China's Taiwan war games may disrupt supply chain

AFP, Beijing

Chinese military exercises around Taiwan are set to disrupt one of the world's busiest shipping zones, analysts told AFP, highlighting the island's critical position in already stretched global supply chains.

The drills – China's largest-ever around Taiwan – are a major show of strength after US House Speaker Nancy Pelosi infuriated Beijing by visiting the island.

The manoeuvres kicked off Thursday and will take place along some of the busiest shipping routes on the planet, used to supply vital semiconductors and electronic equipment produced in East Asian factory hubs to global markets.

The routes are also a key artery for natural gas. Nearly half the world's container ships passed through the narrow Taiwan Strait – which separates the island from the Chinese mainland – in the first seven months of this year, according to data compiled by Bloomberg.

"Given that much of the world's container fleet passes through that waterway, there will inevitably be disruptions to global supply chains due to the rerouting," said James Char, an associate research fellow at Singapore's S

Rajaratnam School of International Studies.

Even a small disruption in global supply chains, already battered by the Covid-19 pandemic and Russia's invasion of Ukraine, could prove costly.

"China's planned live-fire exercises are occurring in an incredibly busy waterway," Nick Marro, the Economist Intelligence Unit's lead analyst for global trade, wrote in a note.

"The shutting down of these transport routes – even temporarily – has consequences not only for Taiwan, but also trade flows tied to Japan and South Korea." The uncertainty dragged the Taiwan Taixex Shipping and Transportation Index, which tracks major shipping and airline stocks, down 1.05 per cent on Thursday.

The index was down 4.6 per cent since the beginning of the week. Taiwan's Maritime and Port Bureau has warned ships in northern, eastern and southern areas to avoid the areas being used for the drills.

But several shipping companies contacted by AFP said they were waiting to see the impact of the drills before rerouting.

The ongoing typhoon season made it riskier to divert ships around the eastern coast of Taiwan through the Philippine Sea, some added. Others said they would stick to

their schedules.

"We don't see any impact during (this) period and we don't have any plan on re-routing our vessels," said Bonnie Huang, a spokesman for Maersk China.

The drills have also hit air routes.

Over the last two days, more than 400 flights were cancelled at major airports in Fujian, the Chinese province closest to Taiwan, signalling that the airspace could be used by the military.

Taiwan's cabinet meanwhile, has said the exercises would disrupt 18 international routes passing through its flight information region (FIR).

During the previous Taiwan Strait Crisis in the 1990s, China conducted military exercises for months, including lobbing missiles into waters off Taiwan and rehearsing amphibious assaults on the island.

"The Chinese undoubtedly wanted to demonstrate resolve in ways that went beyond what they did in 1996," said Bonnie Glaser, director of the Asia programme at the US-based German Marshall Fund think tank.

China's Global Times newspaper said Wednesday the drills were aimed at showing that China's military is "capable of blockading the entire island".

Premier Bank, SME Foundation sign deal

STAR BUSINESS DESK

As a partner bank, Premier Bank signed an agreement with SME Foundation to receive revolving funds under the Stimulus Package announced by the government for distribution among cottage, micro and small (CMS) entrepreneurs.

Syed Nowsher Ali, deputy managing director of Premier Bank Ltd, and Md Mafizur Rahman, managing director of SME Foundation, signed the agreement at the Pan Pacific Sonargaon Dhaka in the capital recently, a press release said.

Under the agreement, the bank will disburse the allotted fund at 4 per cent interest to CMS entrepreneurs across the country's rural and marginal population to accelerate economic recovery from the Covid-19 pandemic fallout and to improve the rural living standard.

Sheikh Mohammad Salim Ullah, secretary of financial institutions division at the ministry of finance, Md Masudur Rahman, chairman of SME Foundation, and Mohammed Emtiaz Uddin, senior executive vice-president of the bank, were present.

Rupee may fall further if RBI does smaller hike: traders

REUTERS, Mumbai

The Indian rupee may decline to a new lifetime low versus the US dollar if the Reserve Bank of India on Friday decides to opt for a smaller rate hike, a trader said.

The RBI is widely expected to raise the repo rate as it continues its battle to control inflation. Economists, however, differ on the size of the rate hike that the RBI will deliver as the central banks aims to strike the right balance between inflation and growth.

The estimates range from 25 basis points rate hike to 50 basis points.

"We think there is decent chance that rupee will see a record low tomorrow," a trader at a Mumbai-based private sector bank said. "A 50-basis hike will not do much for the rupee, while anything less than that will take the rupee well below 80."

Oil prices stabilise after massive drop

REUTERS, London

Oil prices were broadly steady on Thursday as the market weighed tight supply against fears of a demand slowdown, after a build in US crude and gasoline stocks sent prices to multi-month lows in the previous session.

Brent crude futures were down 3 cents to \$96.75 a barrel by 1200 GMT, while West Texas Intermediate (WTI) crude futures were up 40 cents, a 0.44 per cent gain, at \$91.06.

Both benchmarks fell on Wednesday to their weakest levels since before Russia's February 24 invasion of Ukraine, that Moscow calls "a special operation".

IR 4.0 for Idiots!

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The answer is, of course, negative, and unfortunately, there is no plan as such to address this except for a few initiatives here and there.

Despite such a huge investment by the government and the private sector, why are there such missing links in the execution?

In my view, it goes back to my first point that there are insufficient decision-makers in the government system who understand what IR 4.0 is, its potential or its application to fulfil the aspiring export revenue target as well as socioeconomic development.

In order to address the lack of resources issue as stated above, the education ministry with the support of other relevant ministries and agencies needs to take a 360-degree approach to educate and develop teachers who will take the responsibility of building the IR 4.0-compliant resources at different levels.

Industry 4.0 technologies positively affect the productivity of a domestic economy. Economies actively engaging with such technologies show faster growth in manufacturing and non-manufacturing value chains than other countries.

Importantly, such increases in productivity are associated with increases in employment. Early adaptation of it will take away the fear of losing jobs due to high levels of automation or digital adaptation.

The essential goal of Industry 4.0 is to make manufacturing and related industries, such as logistics, faster, more efficient and more customer-centric, while at the same time, going beyond automation and optimisation and detecting new business opportunities and models, including edutech, fintech, e-commerce, e-ride, data centre, smart factory/home/office.

One of the actions of other government ministries and agencies

is to expedite the process of making our large young population educated in various branches of IR 4.0. In this regard, each ministry may force all its resources to have a foundation level knowledge through a simple certification course available globally till our local model is ready.

In addition, the private sector should be simultaneously encouraged as well through initiatives like fiscal incentives and investment-friendly education policies and guidelines, to name a few. Government investment alone is not enough to address the magnitude of the challenge that we have at hand.

IR 4.0 is an opportunity for Bangladesh to take the country to a new height after our success in macroeconomic indicators. The sooner we adapt to it with a proper understanding, the better our country will be able to reap its benefits to ensure socio-economic sustainability; or else, we will be overrun by other countries and lose the early bird advantage!

The author is a telecom and management expert.

Russia becomes India's 3rd largest coal supplier

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Indonesia was the top supplier, while South Africa was marginally ahead of Russia, the data showed. Higher coal imports from Russia were mainly driven by cement manufacturers and steelmakers, two Indian traders said.

Overall Indian coal imports, including shipments of anthracite and PCI coal, were nearly 10 per cent lower in July at 23.8 million tonnes, compared with record imports of 26.29 million tonnes in June, the Coalmint data showed.

Bank of England raises rates by most since 1995

REUTERS, London

The Bank of England raised interest rates by the most in 27 years on Thursday, despite warning that a long recession is on its way, as it rushed to smother a rise in inflation which is now set to top 13 per cent.

Reeling from a surge in energy prices caused by Russia's invasion of Ukraine, the BoE's Monetary Policy Committee voted 8-1 for a half percentage point rise in Bank Rate to 1.75 per cent - its highest level since late 2008 - from 1.25 per cent.

The 50-basis point increase had been expected by most economists in a Reuters poll as central banks around the world scramble to contain the surge in prices.

MPC member Silvana Tenreiro cast a lone vote for a smaller 25-basis-point increase.

The BoE warned that Britain was facing a recession with a peak-to-trough fall in output of 2.1 per cent, similar to a slump in the 1990s but far less than the hit from Covid-19 and the downturn caused by the 2008-09 global financial crisis.

The economy would begin to shrink in the final quarter of 2022 and contract throughout all of 2023, making it the longest recession since after the global financial crisis.

Ushering in the slowdown, consumer price inflation was now likely to peak at 13.3 per cent in October - the highest since 1980 - due mostly to the surge in energy prices following Russia's invasion of Ukraine.

That would leave households facing two consecutive years of declines in their disposable incomes, the biggest squeeze since these records began in 1964.

British consumer price inflation hit a 40-year high of 9.4 per cent in June, already more than four times the BoE's 2 per cent target, triggering industrial action and putting pressure on whoever succeeds Boris Johnson as Britain's next prime minister to come up with further support.

The BoE had previously expected inflation to peak at above 11 per cent and almost no growth in Britain's economy before 2025 at the earliest.

Saudi Arabia sets crude prices

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Brent and Dubai narrowed to \$6.55 a barrel on Thursday, a level last seen in late April, making Brent-linked grades more attractive to Asian buyers and putting pressure on regional grades.

Profit margins at Asian refiners who process Dubai crude plunged by as much as 96 per cent in July, pressured by the prospect of a global economic recession and weakening fuel demand.

Refiners have been concerned that a further hike in crude oil prices could prompt refineries to trim output to manage their balance sheets.

The OSP for Arab Extra Light was increased by 30 cents to \$10.95 a barrel, and for Arab Medium it was raised by 60 cents to \$7.75 a barrel, both record levels.

Saudi Arabia set its Arab Light OSP to northwest Europe at plus \$4.70 a barrel against ICE Brent for September, and to the United States at \$6.15 a barrel.

Saudi's OSPs also came after Opec+ agreed to raise its oil output goal by 100,000 barrels per day from September, although the market saw the increase as too small to have any meaningful impact on the supply.



Selim RF Hussain, managing director of Brac Bank, inaugurates the bank's Pragati Sarani branch at Icon Centre on Pragati Sarani in Dhaka on Tuesday. Syed Abdul Momen, deputy managing director of the bank, Sheikh Mohammad Ashfaq, head of branches, and Md Mahiul Islam, head of retail banking, were present.

PHOTO: BRAC BANK



Md Safiul Amin, head of branches at City Bank, and Selima Ahmad, president of the Bangladesh Women Chamber of Commerce and Industry (BWCCI), exchange signed documents of a memorandum of understanding over strategic partnership for the financial literacy and capacity building of women empowerment on the BWCCI premises in Dhaka yesterday.

PHOTO: CITY BANK



Khwaja Shahriar, managing director of Lankabangla Finance, and Md Mafizur Rahman, managing director of SME Foundation, exchange signed documents of an agreement over a revolving fund of the government at the Pan Pacific Sonargaon Dhaka recently. Sheikh Mohammad Salim Ullah, secretary of the financial institutions division at the finance ministry, Md Masudur Rahman, chairman of SME Foundation, and AKM Sajedur Rahman Khan, deputy governor of Bangladesh Bank, were present.

PHOTO: LANKABANGLA FINANCE