

Paper flowers bring good luck to Rangpur families

S DILIP ROY

Many families in Rangpur division have been in the trade of making paper flowers for a long time and many of them have changed their luck.

People in the trade said that they make flowers of different sizes and colours with paper and sell those to wholesale and retail markets, including those in Chawkbazar in Dhaka.

Paper flowers are especially sold at fairs though traders also supply the flowers to shopping malls due to increasing demand.

Shafiqul Islam of Bholarchaora village in Lalmonirhat has been making various types of colourful paper flowers for the last 30 years. He has involved his three sons and wife Marina Begum in this work.

Twenty more people from the village have learned to make paper flowers from Shafiqul and brought prosperity in their families.

Islam told The Daily Star that it costs currently Tk 9-10 to make each paper flower and he sold it to the wholesalers at a rate of Tk 11-12. An artisan can make 300-500 paper flowers every day.

"I am able to earn Tk 10,000-12,000 every month by making paper flowers," he said.

Maruf Islam, another paper flower maker of the same village, said that he earns an average of Tk 9,000-10,000 every month.

"At present, the income is getting less due to the increase in the price of paper and paint," he said.

Mitali Rani Das of Madhupur village in Rangpur's Kaunia upazila, said she bought four bighas of cultivable land by making paper flowers.

"We can make 55,000-60,000 pieces of paper flowers every month," she said.

Golzar Hossain Tokdar, a paper flower wholesaler in Rangpur city, said there are 200-220 paper flower artisans in about 20 villages in eight districts of greater Rangpur. They make about 18-20 lakh paper flowers every month.

"The demand for paper flowers is increasing day by day. We sell each flower to retailers for an average profit of Tk 2-3 each piece," he said.

Akbar Hossain, a paper flower wholesaler of Chawkbazar in Dhaka, said that Rangpur is No. 1 supplier of paper flowers.

"We give orders over the phone to the producers, who send it through courier services within one or two days," he said.



Paper flowers maker Shafiqul Islam holds a colourful paper flower at his yard of Bholarchaora village in Lalmonirhat sadar upazila. He has been making a living by producing paper flowers for the last 30 years.

PHOTO: S DILIP ROY

Biden gets a reprieve as inflation is easing

AFP, Washington

US inflation is expected to have eased slightly in July, taking pressure off the Federal Reserve to hike interest rates sharply while bringing a much-needed boost to President Joe Biden just months before crucial midterm elections.

Fueled by aggressive consumer spending of pandemic savings, global supply chain snarls, domestic worker shortages, and Russia's war on Ukraine, the consumer price index soared 9.1 per cent on-year in June, the highest in 40 years.

However, with energy costs coming down slightly in recent weeks, the CPI is expected to have dipped to 8.6 per cent last month, according to MarketWatch.

White House spokeswoman Karine Jean-Pierre said that although the administration has not seen the fresh statistics yet, "We know that gas prices have fallen." "And we hope those gas price declines will factor into the CPI inflation data," Jean-Pierre told reporters Tuesday.

Consumer prices have continued to climb in the United States, squeezing family budgets and, by extension, Biden's popularity.

His opponents accuse the president of precipitating inflation with his gigantic \$1.9 trillion coronavirus relief package, which he enacted in March last year, shortly after assuming office.

And Republicans renewed their criticism of Biden's economic policy, warning that Sunday's passage in the Senate of his massive climate and healthcare bill titled

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the "Inflation Reduction Act," would do the opposite of its stated purpose.

But the devil is in the details.

Experts worry that the inflation slowdown linked to the drop in gasoline prices could be outweighed by rising rent and real estate prices.

"The larger issue is what happens to home ownership costs & rents," Diane Swonk, chief economist for KPMG, wrote on Twitter.

Similar to other economists, Swonk

expects to see a rise in the underlying inflation rate, which excludes food and energy, after hitting 5.9 per cent in June.

The question now facing Washington is whether it will be possible to bring inflation down sustainably, without plunging the world's largest economy into recession, after two quarters of economic contraction.

In a bid to tamp down inflation, the Fed has already hiked the interest rate four times to a range of 2.25 to 2.5 per cent, including 75-basis-point increases at each of the past two meetings.

Fears that Wednesday's reading will come in above forecasts, pushing the central bank to unveil another jumbo hike, weighed on equities in Asia and Europe, with most markets in the regions falling into the red.

On the bright side, the US labour market remains dynamic and in July the unemployment rate fell to the pre-pandemic level of 3.5 per cent.

But there are still nearly two jobs open for every available worker, which pushes wages up and contributes to inflation.

Inflation data will be released Wednesday at 8:30am local time (1230 GMT).

Bengal Commercial Bank awards best performing employees

STAR BUSINESS DESK

Bengal Commercial Bank awarded its best performing employees for achieving their business targets during the first anniversary campaign.

Md Jashim Uddin, chairman of the bank, handed over the awards to the awardees at the bank's head office in Gulshan, Dhaka recently, a press release said.

The bank conducted a campaign from March 2022 to June 2022 with different kinds of attractive offers on the occasion of the first anniversary of the bank.

Tarik Morshed, managing director of the bank presided over the award giving ceremony, where Shahid Hossain, adviser, KM Awlad Hossain and Md Rafiqul Islam, deputy managing directors, were present.

Mahtabur re-elected as NRB Bank chairman

STAR BUSINESS DESK

Mohammed Mahtabur Rahman has been re-elected as chairman of NRB Bank Ltd.

Former commercially important person (CIP), Rahman, is currently the chairman and managing director of Al Haramain Perfumes Group of Companies, a press release said.

He is the founder president of Bangladesh Business Council in Dubai and the NRB CIP Association in Bangladesh.

Rahman is chairman of Al Haramain Tea Co Ltd and Al Haramain Hospital Pvt Ltd in Bangladesh and sponsor of Sheikh Khalifa Bin Zayed Bangladesh Islamia (Pvt) School in Abu Dhabi, UAE.



Malaysia Airlines to buy 20 Airbus jets

REUTERS, Paris/Sydney

Malaysia Airlines is poised to announce a deal next Monday to acquire 20 Airbus A330neo wide-body jets, industry sources said on Wednesday.

Chief Executive Izhom Ismail said in June the airline was nearing a decision on replacing its earlier-model A330 fleet, and Reuters last month reported that the upgraded A330neo had been selected as the preferred model.

The deal to replace 15 A330-300s and six A330-200s is likely to involve leasing around half of the upgraded A330neo planes and purchasing the rest directly from Airbus, said two of the sources, who were not authorised to speak publicly.

Economic impact

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There will be increased hiring, re-skilling or up-skilling of the labour force in accordance with industry needs, and maybe a hike in the minimum wage as the demand for labour rises. Hence, more economic opportunities will ultimately improve the living conditions and thus reduce poverty.

IMPACT ON POVERTY REDUCTION AND JOBS

Of the districts, 13 have higher levels of poverty than the national average. Roughly 5 per cent more people live below the poverty line in the southwestern districts, in comparison with the rest of the nation, said the Asian Development Bank in 2011. Nevertheless, it is expected that the opening of the Padma Bridge will reduce poverty rates at the national and regional levels.

In a study published in 2011, the World Bank predicted that the poverty reduction rate will increase by 1 percentage point in the region and by 0.8 percentage points at the national level.

Agriculture and agro-processing-based industrialisation hold high potential for the region. As the southwestern region contributes a greater share to agriculture in GDP, mobilising investment in agriculture will be beneficial.

A variety of small and large sectors, including readymade garments, IT and logistics have the potential to develop in the region.

The industrial expansion will have spillover effects in the form of network economies that will support cottage, micro, small and medium-sized enterprises (CMSMEs). The CMSMEs will, therefore, be able to link to other businesses and support organisations and benefit from economies of scale in buying, production, and distribution if they integrate with the local production

systems.

Increased access to markets and resources will, thereby, improve CMSMEs' sustainability and enable them to grow through increasing productivity and profitability.

NEED PROPER POLICIES

The Padma Bridge provides a broad range of economic opportunities. So, an appropriate set of policies needs to be targeted with a higher priority.

First, the business environment is very crucial to attracting foreign direct investment (FDI) to this region. It can be improved by securing electricity, gas and water supplies and developing internal road infrastructure. Therefore, policymakers will need to develop and put into practice business-friendly policies.

Second, the government and private sector organisations should work together to improve credit access in the area to maximise the economic benefits of the bridge. In this connection, financing options for the CMSMEs should be eased and expanded.

Third, environment-friendly industrialisation that will preserve nature and maintain balance among ecosystems must be ensured.

Fourth, skilled workforce and land availability will be two major issues in this region. Hence, the government should prioritise skill training for its workforce and land acquisition through clearly defined channels.

Finally, if the right policies are in place, the Padma Bridge will transform the southwestern region into a regional economic hub for connectivity, trade and investment, boosting growth and development.

The author is a senior research associate of the South Asian Network on Economic Modeling. He can be reached at eco.tuhinsakib@gmail.com

Green building practices

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40 per cent sand, 15 per cent cement and 5 per cent pebbles ever since it was established a couple of years ago.

Pavel Rahman, a resident of the Sabuj para area in Nilphamari municipality, said the total construction cost of his residence fell by up to 30 per cent thanks to the use of CSEBs as 1,000 of these blocks do the same work as 1,750 conventional bricks, reducing the use of mortar.

"Besides, I can directly paint the walls without having to apply plaster," he added.

Zoinal Abedin, a resident of Hazipara area in Thakurgaon municipality, said that living in houses made of eco-friendly materials is more comfortable as they are both heat and cold resistant.

HBRI sources informed that aside from big companies, 2,500 small and medium factories for eco-friendly construction materials have been set up throughout the country on private initiatives.

"We provide training to 50 masons and other relevant people every month in order to provide skilled manpower for the construction of buildings with

eco-friendly materials," said Ahsan Habib, principal research officer of the HBRI.

According to sources in the Department of Environment (DoE), there are 6,500 to 10,000 traditional brick kilns in the country that produce 22.71 billion pieces of brick annually.

For this, 25 billion cubic feet of topsoil is burnt with 3.5 million tonnes of coal and 1.9 million tonnes of wood, emitting 9.8 million tonnes of greenhouse gases.

Besides, the use of earth collected from arable lands is big threat for food production and an obstacle to achieving the Sustainable Development Goals by 2030, which includes attaining food security and sustainable development in agriculture, said Abu Bakkar Siddik, deputy director of the Department of Agricultural Extension in Nilphamari.

Abdul Hamid, director general of the DoE, said they are working on a roadmap to curb environmental pollution caused by brick kilns and that using eco-friendly blocks in all construction is an effective measure to this end.

Indian firms using

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The yuan accounted for 31 per cent of the non-US dollar payments for Russian coal in June and the Hong Kong dollar for 28 per cent. The euro made up under a quarter and the Emirati dirham around one-sixth, the data from the trade source showed.

India's Ministry of Finance, which administers the customs board, did not respond to emails seeking comment confirming the documents. The Ministry of Commerce and Industry declined to comment.

The Reserve Bank of India also did not respond to requests for comment.

The RBI has approved payments for commodities in the Indian rupee, a move it expects to boost bilateral trade with Russia in its own currency.

The US dollar has been the dominant currency for Indian commodity imports, traders said, and the greenback makes up most of the country's foreign exchange reserves.

For deals in a currency other than the dollar, lenders would potentially have to send dollars to bank branches in the country of the original currency, or banks they have tie-ups with, in exchange for that currency to settle the trade.

Two traders based in India that purchase coal for domestic customers and a trader based in Europe that deals with Russian coal said they expected the share of non-dollar transactions for Russian coal to increase as banks and other parties explore ways of cushioning themselves against any further tightening of sanctions.

China property woes cast shadow over management units

REUTERS, Hong Kong

China's real estate crisis is casting a darkening cloud over governance and financial prospects of once highly valued property management companies, triggering a rout in their shares and making investors cautious.

Already battered share prices have fallen a further 7 per cent this month as investors have reacted to the latest instances of such companies lending support to cash-strapped developer parents.

"The capital market has lost confidence in some of the property management companies, even in those companies that have not seen misuse of funds by their parents," said UBS's head of China and Hong Kong property research, John Lam.

In one of the latest two cases that have unnerved investors, China Evergrande Group said on July 22 an internal probe had found that \$2 billion of funds held by subsidiary Evergrande Property Services had been pledged to guarantee financing by the group for debt repayment.

In the end, banks seized the money, cleaning out much of the unit's cash. China Evergrande Group, the world's most indebted property developer, has been at the centre of China's property crisis, in which many such companies have defaulted as a result of government moves to deleverage the sector.

Then on August 1 shares in property manager Jinke Smart Services Group dropped 37 per cent after it said it would lend up to \$222.3 million to parent Jinke Property.

As the crisis developed last year, some property management units issued and sold shares to raise funds that were passed back to parents.

Also, property manager Shimao Services Holdings bought a business from developer parent Shimao Group at an unusually high price.

Such doings have not pleased investors. Since mid-2021, valuations for management subsidiaries of distressed developers have plunged from a peak of 25 times earnings to just five to six times, according to Lam, who added that those still above this level could come under downward pressure.

Falls continue. Since the announcement by Jinke Smart Services, the Hang Seng sub-index that tracks major mainland property management companies has lost 7 per cent, while the broader Hang Seng Index is down less than 1 per cent per cent.

William Shek, the chief distribution officer of Zeal Asset Management Ltd, a Hong Kong-based hedge-fund manager, said his firm had turned cautious on this sector since the beginning of the property crisis.

"Subsidiaries are unlikely to be shielded from risks if their parent companies get into trouble," Shek said. Another concern is the dependability of property managers' profits. Since so much of their business was providing management services to parents, revenue was limited by how much parents would or could pay, senior executives of two developers told Reuters.

Analysts noted property management companies had posted a surge in impairment provisions for receivables in the second half of last year. The trend is expected to worsen in results for the first half of 2022, when more developers were running out of cash.