



People queue for essential commodities offered at subsidised rates through the government's Open Market Sale operation near Mugda General Hospital in Dhaka recently. Record food and fuel price spikes are threatening to push many low-income families into extreme poverty, according to Asian Development Bank.

PHOTO: SK ENAMUL HAQ

Bangladesh, others face severe localised food insecurity: ADB

STAR BUSINESS REPORT

Countries such as Bangladesh and Pakistan are facing severe localised food insecurity as the world is witnessing the worst threats to global food security in decades, said the Asian Development Bank (ADB) recently.

In an article on Monday, the Manila-based multinational lender said currently, millions of people are facing chronic food shortages.

Record price spikes in food and fuel threaten to push many low-income families, who spend a large proportion of their household budget on these commodities, into extreme poverty.

Asia and the Pacific are in the eye of this storm with half of the world's 600 million people classified as hungry, living in the region.

In Sri Lanka, food price inflation has exceeded 90 per cent and, combined with a debt crisis, is threatening to push millions into a prolonged period of hunger and poverty, while countries, such as Bangladesh and Pakistan face severe localised food insecurity, the ADB said.

"A perfect storm of events has combined to create the worst threats to global food security in decades, highlighting the need for coordinated action to halt a worrying surge in hunger, and to respond to longer term challenges to the very future of sustainable food production."

Pressures on food security are coming from multiple sources.

The Russian invasion of Ukraine is the main driver of food price inflation but other factors are at play including the ongoing coronavirus disease pandemic which has disrupted food supply chains, macro-economic challenges, and the imposition of trade restrictions by some countries which have affected the availability of a number of food commodities.

Hovering over these issues is the even greater challenge of climate change which is already having deep and lasting impacts on agricultural production, with a recent study showing that global farming productivity has been suppressed by 21 per cent as a result of climate extremes.

While some food prices and trade restrictions had eased by July 2022,

and grain shipments from Ukraine have resumed, prices remain sharply elevated from a year ago and the outlook for food security remains deeply uncertain, said the ADB.

The rising cost and shrinking availability of fertilizers because of the Russia Ukraine war is a major concern.

"A perfect storm of events has combined to create the worst threats to global food security in decades, highlighting the need for coordinated action to halt a worrying surge in hunger."

"Short-term food security issues are not independent of long term challenges, and while food price increases are seen as a particularly acute threat today, the food security issue could become systemic due to the adverse impact of climate change on agriculture," said Qingfeng Zhang, chief of the ADB Rural Development and Food Security Thematic Group, in the

article.

The increasing severity and frequency of extreme climate events, meanwhile, is alarming. In India, the world's second-largest wheat producer, drought conditions are expected to cause an 8 per cent decline in yields in 2022 and Bangladesh experienced devastating flooding in May and June 2022 that created serious food shortages.

"If our region and the rest of the world are to prevent this crisis from causing even more hunger and misery then we must act together to ensure a coordinated release of food stockpiles, facilitate open and smooth trade, provide social safety nets for the most vulnerable, and support smallholder farmers to maintain current agriculture production, along with making longer-term investments in food systems to make them more productive, sustainable and resilient to climate extremes," said Zhang.

"Anything less will jeopardise the achievement of the Sustainable Development Goals, including the critically important goal of ending hunger and malnutrition by 2030."

Stocks surge to end a winning week

STAR BUSINESS REPORT

Stocks in Bangladesh returned to black yesterday helping the bourses end the week on a high note, thanks to increasing investors' participation buoyed by a fall in oil prices globally and some easing of volatility in the foreign exchange market.

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), rose 74 points, or 1.18 per cent, to close at 6,355.

The DS30, the blue-chip index, went up 1.05 per cent to 2,267, and the DSES, the sharia-based index, advanced 0.79 per cent to 1,390.

Turnover, one of the important indicators of the market, surged 57 per cent to Tk 1,777 crore, the highest in seven months.

Of the securities, 234 advanced, 54 declined, and 91 did not show any price movement.

Stocks rebounded to the gaining streak after a single-day break, as the bargain-hunters went on late hours buying on sector-wise issues amid rising turnover, said International Leasing Securities Ltd (ILSL), a brokerage house, in its daily market review.

"Investors' confidence received a boost to some extent amid a declining trend of fuel prices in the global markets as well as the stability in the foreign exchange market due to the central bank's steps."

"Investors' confidence received a boost to some extent amid a declining trend of fuel prices in the global markets."

Yesterday, Orion Infusion topped the gainers' list with a 10 per cent rise. National Housing Finance Company, Delta Life Insurance, Meghna Life Insurance, and GQ Ball Pen Industries were also on the list.

Sonargaon Textiles suffered the most, giving up 3.69 per cent. Central Pharmaceuticals, Emerald Oil, S Alam Cold Rolled Steels, and Salko Spinning Mills were among the major losers.

Beximco Ltd was the most traded stock with its scripts worth Tk 108 crore changing hands. Orion Pharmaceuticals, Olympic Industries, Bangladesh Shipping Corporation, and Delta Life Insurance also witnessed significant turnover.

Shares on the Chittagong Stock Exchange (CSE) also rose yesterday, with the Caspi, the all-share price index of the bourse in the port city, advancing 139 points, or 0.75 per cent, to end at 18,642.

Of the securities, 166 advanced, 70 retreated, and 76 were unchanged.

Yesterday's gains meant both exchanges fell only on a single session which was on Wednesday.

Throughout the week, the exchanges remained bullish amidst enthusiastic participation of investors, helped by the government's move to import Russian oil via a third country. The move could help Bangladesh cut fuel import bills and rein in inflation.

Recently, the central bank has taken some strong steps to curb the volatility in the foreign exchange market. As a result, the US dollar did not see much appreciation against the taka last week like in the previous weeks.

Almost all the sectors performed well in the week and generated positive returns.



Mosleh Uddin Ahmed, managing director of SBAC Bank, and Md Jaker Hossain, director of the small and medium enterprises (SME) and special programmes department of the Bangladesh Bank (BB), exchanged signed documents of an agreement on term loans under a refinancing scheme for cottage, micro, small and medium enterprises of the central bank at the latter's head office in Dhaka recently. Abdur Rouf Talukder, governor of the BB, Abu Farah Md Nasser, deputy governor, Md Serajul Islam and Md Obaidul Hoque, executive directors, were present.

PHOTO: SBAC BANK



Shakib Al Hasan, a cricketer and brand ambassador of DBL Ceramics, Abdul Wahed, chairman of DBL Group, MA Jabbar, managing director, MA Rahim, vice-chairman, MA Quader, deputy managing director, and Md Bayazid Bashir, general manager of DBL Ceramics, jointly inaugurated a display centre in Baridhara of Dhaka yesterday.

PHOTO: DBL GROUP



M Kamal Hossain, managing director of Southeast Bank, and Md Jaker Hossain, director of the small and medium enterprises (SME) and special programmes department of the Bangladesh Bank (BB), exchanged signed documents of an agreement on term loans under a refinancing scheme of Tk 25,000 crore at the latter's head office in Dhaka recently. Abdur Rouf Talukder, governor of the BB, Abu Farah Md Nasser, deputy governor, Md Obaidul Hoque, executive director, Manoj Kumar Howlader, director, and Md Ahsan Jamil Hossain, head of SME of Midland Bank, were present.

PHOTO: SOUTHEAST BANK



Md Jaker Hossain, director of the small and medium enterprises (SME) and special programmes department of the Bangladesh Bank (BB), and Selim RF Hussain, managing director of Brac Bank, exchanged signed documents of an agreement on term loans at 7 per cent interest under a refinancing scheme for cottage, micro, small and medium enterprises at the former's head office in Dhaka recently. Abdur Rouf Talukder, governor of the BB, Abu Farah Md Nasser, deputy governor, and Syed Abdul Momen, deputy managing director of Brac Bank, were present.

PHOTO: BRAC BANK



Md Ahsan-uz Zaman, managing director of Midland Bank, and Jaker Hossain, director of the Bangladesh Bank (BB), exchanged signed documents of an agreement on term loans for up to 5 years at 7 per cent interest under a refinancing scheme for cottage, micro, small and medium enterprises of the central bank at the latter's head office in Dhaka recently. Abdur Rouf Talukder, governor of the BB, Abu Farah Md Nasser, deputy governor, Md Obaidul Hoque, executive director, Manoj Kumar Howlader, director, and Md Ahsan Jamil Hossain, head of SME of Midland Bank, were present.

PHOTO: MIDLAND BANK