

Ace Autos, Standard Chartered sign MoU

STAR BUSINESS DESK

Ace Autos, an authorised distributor of Haval sport utility vehicles (SUV) in Bangladesh, has signed a memorandum of understanding (MoU) with Standard Chartered Bank to provide auto loans at only 7.99 per cent interest per annum and 0.5 per cent processing fee in the purchase of Haval SUVs.

Md Anwar Touheed, head of mortgage and auto retail banking at Standard Chartered Bank, and Azharul Islam, chief executive officer of Ace Autos, inked the MoU at the Haval showroom in Dhaka on Sunday, a press release said.

Kazi Mustafizur Rahman, manager of mortgage and auto product at Standard Chartered Bank, and Kazi Rakib Uddin Ahmed, chief of human resources officer of Ace Autos, were present.



A craftsman takes his fish traps to a local market for sale at Tk 120 apiece. Locally called "charo" in Bangla, the box-shaped traps are made out of bamboo and fishing nets. On one end, the net is shaped into a funnel with an opening at the end which is placed directly facing narrow channels of water. The conical shape makes it easy for small fish to swim in but difficult to figure the way out. The photo was taken at Jalma of Khulna's Batiaghata upazila on Saturday.

PHOTO: HABIBUR RAHMAN

Mosleh Uddin joins Shahjalal Islami Bank as MD

STAR BUSINESS DESK

Mosleh Uddin Ahmed joined Shahjalal Islami Bank Ltd as its managing director and chief executive officer yesterday.

Ahmed previously worked in South Bangla Agriculture and Commerce (SBAC) Bank Ltd before joining Shahjalal Islami Bank, a press release said.

He had worked in National Credit and Commerce Bank Ltd, Jamuna Bank Ltd, City Bank, the State Bank of India and Prime Bank in different capacities during his more than three-decade long banking career.

Mosleh Uddin obtained his graduation degree in electrical and electronic engineering from the Rajshahi University of Engineering and Technology.

He did a diploma in computer science and an MBA from the Institute of Business Administration of the University of Dhaka.



RBI sells dollars as rupee slips to record low

REUTERS, Mumbai

The Indian central bank likely sold dollars via state-run banks on Monday as rising oil prices and weak risk appetite pushed the rupee to within striking distance of record lows.

The rupee was last trading at 81.90, down from 81.34 in the previous session. The local unit reached a record low of 81.95 last Wednesday.

The intervention by Reserve Bank of India on Monday was similar to recent sessions where the RBI is trying to make sure that rupee does not fall below 82.

Turkey's inflation hits 24-year high

AFP, Turkey

Turkish inflation jumped to a new 24-year high exceeding 83 per cent in September, official data showed Monday, as President Recep Tayyip Erdogan presses for more interest rate cuts despite surging prices.

Turkey's monetary policymakers are bucking the global trend of central banks raising interest rates to combat inflation, as high borrowing rates cool down the economy and prices.

But Erdogan, who has focused on growth ahead of a general election in June, has repeatedly railed against higher rates, calling them his "biggest enemy".

The country's central bank has followed his philosophy, lowering its policy rate to 12 per cent from 13 per cent last month.

BB working to help strengthen stock market

Aims to reduce NPLs in banking sector, says governor

STAR BUSINESS REPORT

Bangladesh Bank Governor Abdur Rouf Talukder yesterday said they are trying to help strengthen the country's securities market as it should be a major source of long-term funding for entrepreneurs and thereby assist in reducing non-performing loans in the banking sector.

Rising NPLs are the biggest problem currently faced by the banking sector, which deals with long-term loans with short-term deposits, he said while speaking as chief guest on the inaugural day of World Investor Week.

"Such dealings of banks create a huge maturity mismatch, which is a big reason for increasing NPLs. So, we are trying to develop the securities market," he added.

The central bank governor went on to say that entrepreneurs in neighbouring India are doing business with funds raised from the equity market and they take only working loans from banks.

"We are also focusing on developing the

local stock market so that entrepreneurs can raise funds mostly through issuing equity rather than taking long-term loans," Talukder said.

The International Organisation of Securities Commission (IOSCO) scheduled the sixth annual World Investor Week from October 3 to 13 this year.

In line with IOSCO, the Bangladesh Securities and Exchange Commission (BSEC) launched the week with the participation of various stakeholders through an opening ceremony at its conference room.

"Bangladesh is in crying need of jobs and to create jobs, a huge investment is required and the stock market is working to help raise the funds," said Professor Shibli Rubayat Ul-Islam, chairman of the BSEC.

"Financing is necessary both when a new investment is going to be launched and when expansion is taking place and the stock market is ready to give funds in both cases," he added.

Islam then said that if an entrepreneur

raises funds the stock market, then they should share some of the profits with shareholders.

However, some listed companies are not sharing profits enough, which discourages investors.

"In the World Investor Week, we are reiterating our commitment to ensure good governance and a sustainable and environment-friendly stock market," he added.

BSEC Spokesperson Rezaul Karim said the stock market regulator is trying to raise awareness on the benefits of taking investment decisions based on research.

"The market has ample products to invest in at lucrative prices and so, people should not pay heed to the rumours and instead analyse the company's potential before investing," he added.

Sheikh Mohammad Salim Ullah, secretary of the Financial Institution Division of the finance ministry, and Shaikh Shamsuddin Ahmed, a commissioner of the BSEC, also spoke at the event.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (OCT 3, 2022)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 65-Tk 75	0.72 ↑	12.90 ↑
Coarse rice (kg)	Tk 47-Tk 52	-8.33 ↓	6.45 ↑
Loose flour (kg)	Tk 54-Tk 55	6.86 ↑	62.69 ↑
Lentil (kg)	Tk 90-Tk 100	-11.63 ↓	8.57 ↑
Soybean (litre)	Tk 160-Tk 175	-3.46 ↓	25.94 ↑
Potato (kg)	Tk 25-Tk 30	1.85 ↑	52.78 ↑
Onion (kg)	Tk 35-Tk 45	-5.88 ↓	-30.43 ↓
Egg (4 pcs)	Tk 47-Tk 50	24.36 ↑	31.08 ↑

SOURCE: TCB



Naoki Ito, Japanese ambassador to Bangladesh, and Tanjil Chowdhury, chairman of Prime Bank, inaugurate Prime Bank's special Japan Desk, a one-stop solution centre, in order to facilitate cross-border business initiatives and investments between Japan and Bangladesh at a local hotel in Dhaka recently. Hassan O Rashid, managing director of the bank, and dignitaries from the diplomatic core and business communities of both Japan and Bangladesh were present.

PHOTO: PRIME BANK



Md Anwar Hossain, director of Al-Arafah Islami Bank, inaugurates the bank's 203rd branch at Terokhada in Khulna on Sunday. Farman R Chowdhury, managing director of the bank, Md Habib Ullah and Jalal Ahmed, senior executive vice-presidents, Mollah Shorifat Hossain Mufti, vice-chairman of Terokhada Upazila Parishad, and Wahiduzzaman Ahid, chairman of Terokhada Union Parishad, were present.

PHOTO: AL-ARAFAH ISLAMI BANK

Bangladesh - an oasis of growth

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resources nationally and globally for infrastructure projects is vital," according to Hung.

So far, Standard Chartered has raised more than \$7 billion of financing in power, telecommunication, infrastructure, and other key sectors and can play a vital role in answering how to optimally structure these projects.

"Implementing the right policies to encourage physical and digital infrastructure that will spur flows of trade, investment, information, and people will accelerate the nation's rising prosperity," Hung said.

"For instance, bridging the Padma River is a historic achievement that is a marker for things to come."

The Standard Chartered top regional official is also aware of the challenges facing the country owing to global warming.

While Bangladesh only accounts for a tiny proportion of global emissions, it is in the top 10 of the world's most-affected countries by climate change. The north-eastern floods that happened earlier this year are yet another reminder of the immediacy of the challenge.

"Bangladesh needs to be in tune with the collective effort to mitigate climate change by reducing emissions to limit temperature rises," Hung said.

A study, commissioned by the London-headquartered bank, found that Bangladesh-based suppliers are risking almost \$18.7 billion in exports each year if carbon emissions are not cut in line with their biggest clients' net zero plans.

"At the same time, we need to accelerate change. This calls for a greater public-private partnership to unlock more investment and drive the action required. Coordinated government policy, incentivisation and structures

that direct money to the projects required to raise this capital will be crucial," Hung said.

"Innovations from the private sector will also be required, including new technologies to help communities adapt and new financial products that direct capital to the technologies and projects where the need is greatest."

When asked about the thoughts that keep him up at night, he lists the Covid-19 pandemic, the geopolitical tensions and their ever-changing dynamics, and supply chain disruptions.

"The scale and depth of today's challenges are something I have never experienced before in my 35-year banking career."

Amidst these headwinds, Hung says, it is easy to overlook that it is these exact shifts that are presenting emerging opportunities for businesses.

"Particularly here in Asia, we are seeing some really transformational and structural changes that will be to the benefit of all of us living here."

Intra-Asia trade dynamics have blossomed over the years.

"We have had almost three to four decades of manufacturing in the East for consumption by the West. I think in the next 10 to 30 years, we will be seeing a lot more of the East producing for the East on the backdrop of rising middle classes in Asia," Hung said.

He also touched upon digitalisation and the fourth industrial revolution, which are bringing about huge business model changes that will have a benefit in terms of how businesses operate.

"That said, vigilance about cybersecurity is critical - cyberattacks come with significant consequences and we can only expect their frequency, scale, and sophistication to increase. There is also the sustainability side of

things, which presents a challenge, but also an opportunity."

Over the last two decades, Bangladesh grew consistently by over 6 per cent year-on-year. It performed relatively well even during the global food price hike and economic meltdown in 2007-08 and the pandemic.

Now it is under tremendous pressure as visible by the fast devaluation of its currency and high current account deficit.

"It is important that we are able to filter short-term aberrations from long-term structural trends and opportunities and stay focused," said Hung, while speaking on how to ride out the current difficult period.

"External debt is low compared to its peer group, providing ample headroom to navigate further global uncertainties. Stable macroeconomic indicators and resilient recovery from the effects of Covid-19 is set against a backdrop of global uncertainties. But as global value chains recalibrate, there are also emergent opportunities."

StanChart's recent Future of Trade report identifies Bangladesh as a Hypergrowth Market - markets that are rapidly progressing towards being major global trade partners.

"Favourable demographics, rising urbanisation, digitalisation, increasing financial inclusion and other structural drivers all point toward a bright future for Bangladesh."

He said global trade remains one of the key building blocks of Bangladesh's growing economy, and Standard Chartered is firmly in the business of driving prosperity.

"We are accelerating through innovation, such as setting up the country's first digital trade counter or completing the first digital letter-of-credit transaction, we have been helping businesses dovetail with their global

counterparts."

"With our uniquely diverse network, we are also helping Bangladeshi businesses access 59 markets globally, at the same time, reinforcing Bangladesh's potential as an investment destination through our key corridors and international financial hubs in Singapore, Hong Kong and London."

Over the last year, the bank supported Bangladesh's green transition through a series of 'firsts' - from the issuance of the first green bond to the country's first-ever sustainable trade finance transaction.

Hung thanks international banks like Standard Chartered are well-positioned to support clients' network business needs amidst the growing inter-connectivity of Asia.

"We remain vigilant of the inherent vulnerabilities and systemic risks within the financial sector and believe that embedding good governance and healthy risk management culture in all banks would go a long way towards addressing these challenges."

Europe braces

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"Given all the Covid-related restrictions, social distancing etc, it's likely that not a lot of extensive works were actually carried out but rather just essential maintenance," Energy Aspect's Livia Gallarati said.

Maintenance outages next month include Eni's Sannazzaro refinery in Italy, Repsol's Tarragona refinery in Spain, and Galp Energia's Sines refinery, among others.

"The European diesel market is looking a bit softer than we had expected say this time last month," Gallarati said, adding that the consultancy has softened its European demand forecast as economic pressures mount.