

Imported fish should undergo more tests

Marine fishers demand

STAR BUSINESS REPORT

Sea fishers recently urged the government to ensure that imported fish undergo certain tests apart from those related to checking for the presence of health-hazardous chemicals, namely formalin.

Marine fish that are currently imported from Middle Eastern countries at a relatively low cost should be tested for arsenic, mercury, and other heavy-metal contaminations to protect consumers, they said.

"Besides, the fish imported from that region are sold at throwaway prices, which affects us too," said Nurul Qayyum Khan, president of the Bangladesh Marine Fisheries Association (BMFA).

Khan said a portion of fish is imported for poultry feed and in such cases, they should be imported as granules.

In a letter to the fisheries and livestock minister last week, the association appealed for ensuring that imported fish are searched for arsenic, mercury, lead, and cadmium contaminations apart from facing microbiological tests.

Imported fish should be tested for arsenic, mercury, lead, and cadmium contaminations apart from facing microbiological tests, sea fishers say

The BMFA, which represents 200 industrial fishing trawlers in the Bay of Bengal, also urged the government for allowing them to buy diesel, the key raw material for trawlers, at reduced prices as it has become difficult for them to bear the increased fuel cost.

"We are on the verge of sinking," he said.

The BMFA said an industrial trawler would require Tk 65 lakh for a voyage lasting 22 days when the price of diesel was Tk 65 per litre before the hike in November 2021. The cost went up 11 per cent to Tk 72 lakh after the government increased prices of the fuel to Tk 80 per litre.

The fuel cost for a steel-body mechanised trawler that goes for fishing in the sea shot up 46 per cent to Tk 1.05 crore after the energy ministry hiked prices again in August this year.

Khan said they cannot increase the prices of fish even though their costs have soared as it depends on the supply coming from other sources too.

The BMFA president then said industrial trawlers can trawl for up to six months each year because of the government's restrictions on catching fish for a certain period.

Khan said entrepreneurs invest Tk 30-35 crore for an industrial trawler by borrowing from banks.

So, the increased cost of operation has affected their capacity to service loans, he said while demanding diesel for trawlers at Tk 80 per litre.

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MAJOR NUMBERS

(In 2021)

Loans: Tk **37,665**cr
Deposits: Tk **46,240**cr
NPLs: **3pc** of total loans
Earnings per share: Tk **3.80**
Exports through the bank: Tk **12,980**cr
Imports through the bank: Tk **27,978**cr



NET PROFIT

In 2021: Tk **435**cr
In 2020: Tk **370**cr



NUMBER OF BRANCHES

490

NUMBER OF EMPLOYEES

8,022



Pubali Bank on a tear

AKM ZAMIR UDDIN

At the time of its denationalisation in 1984, Pubali Bank's defaulted loans were more than 50 per cent owing to a lack of corporate governance.

The bank set out to turn around from its fragile financial health and it has not had to look back since then.

Today, Pubali Bank is one of the sound financial organisations in Bangladesh and non-performing loans (NPLs) have fallen to as low as 3 per cent, way lower than the industry average of more than 8 per cent.

"But it was not a smooth journey as multidimensional efforts had to be taken to improve the health," said Safiul Alam Khan Chowdhury, managing director of Pubali Bank Ltd.

He joined the bank as a senior officer in 1983 after completing his post graduation from the University of Dhaka.

After serving it for nearly four decades, he is set to retire tomorrow, joining a small group of banking professionals who spent their entire career in a single organisation and went on to helm the pole position.

In fact, Chowdhury was the one who had first-hand knowledge of how the bank was rebuilt from the scratch. In fact, he played an active role in improving the financial health of the lender.

"Our main aim was to fortify the corporate governance, helping the bank become vibrant," said Chowdhury in an interview with The Daily Star yesterday.

Capacity development and the change in the mindset of the workforce have also played a crucial role in the transition of the bank. And all

contributed to the reduction of NPLs drastically.

Subsequently, it came out of the list of problem banks in 2005 and the Bangladesh Bank withdrew its observer two years later.

At present, Pubali Bank is the highest profit maker among conventional private commercials bank in Bangladesh.

Its net profit stood at Tk 435 crore last year, up 17.4 per cent a year ago. Operating profit surged to Tk 991 crore in the first nine months of 2022, versus Tk 771 crore generated during the identical period a year ago.

"We have achieved all these without compromising corporate governance," said Chowdhury.

He cited customer satisfaction as the main driver for the bank's stellar performance year after year.

Pubali Bank has placed equal importance on mobilising deposits, selecting borrowers cautiously, and facilitating exports, imports and remittance flow in order to diversify earnings.

Embracing modern technologies and digital solutions has put the bank on a higher growth trajectory.

ICT-based initiatives of the Bangladesh Bank, customers' expectations and demand, and rapid advancement in information and communication technology have significantly influenced the banking industry in recent years.

Thus, the lender, which was established in 1959, has taken a leading role when it comes to introducing a number of banking services provided digitally.

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India's fuel demand slips to 10-month low in Sep

REUTERS

India's monthly fuel demand in September was at the lowest since November 2021, government data released on Friday showed.

Total monthly fuel demand in September fell 3.6 per cent from August, although it was up 8.1 per cent when compared with September 2021.

"When we look at the drop in Indian oil demand, part of it had to do with seasonal maintenance of the refineries, not necessarily a softening of the economy," said Phil Flynn, analyst at Price Futures Group in Chicago.

"We expect that the demand for India is going to pick up here very, very shortly as we get into winter."

Consumption of fuel, a proxy for oil demand, totaled 17.18 million tonnes in September, up from 15.89 million tonnes a year earlier, data from the Petroleum Planning and Analysis Cell (PPAC) of the Oil Ministry showed.

Sales of diesel, or gasoil, rose about 13.4 per cent year-on-year to 6.26 million tonnes, but dropped 1.4 per cent month-on-month to a one-year low.

Sales of gasoline, or petrol, were 8.8 per cent higher from a year earlier at 2.83 million tonnes.

Preliminary sales data from earlier this month showed gasoline and gasoil sales by Indian state refiners rose sharply in September from a year earlier, signaling a pick-up in industrial activity ahead of the festive season from October.

Sales of bitumen, used for making roads, were up about 16 per cent, while fuel oil use edged up 9 per cent in September.

US labour market forges ahead

Job growth strong in Sep

REUTERS, Washington

US employers hired more workers than expected in September, while the unemployment rate dropped to 3.5 per cent, pointing to a tight labour market which keeps the Federal Reserve on its aggressive monetary policy tightening campaign for a while.

Though the 0.2 point decline in the jobless rate from 3.7 per cent in August was partly because of people leaving the workforce, the Labor Department's closely watched employment report on Friday also showed fewer Americans working part-time for economic reasons last month. The labour market continues to show resilience despite the Fed's stiff interest rate hikes.

"The labour market isn't just rolling along, it's a virtual steam-roller that does nothing to slow economic demand and help the Fed in its inflation fight," said Christopher Rupkey, chief economist at FWD BOND in New York.

Nonfarm payrolls increased by 263,000 jobs last month after rising by an unrevised 315,000 in August, the survey of establishments showed. Job growth has averaged 420,000 per month this year, down from the monthly average of 562,000 in 2021.

Economists polled by Reuters had forecast 250,000 job gains, with estimates ranging from as low as 127,000 to as high as 375,000. The unemployment rate was forecast unchanged at 3.7 per cent.

The broad increase in employment was led by the leisure and hospitality industry, where payrolls increased by 83,000 jobs. The bulk of the gains were at restaurants and bars. Still, leisure and hospitality employment remain 1.1 million jobs below its pre-pandemic level.

Healthcare added 60,000 jobs in September, returning employment in the sector back to its pre-pandemic level. Employment in the professional and business services industry increased by 46,000 jobs. Manufacturing added 22,000 jobs, while construction created 19,000 positions, despite the housing market being hammered by the higher borrowing costs.

There were also gains in wholesale trade employment, but the financial activities industry shed 8,000 jobs. The transportation and warehousing sector also lost 8,000 jobs.

US stocks opened lower. The dollar rose against a basket of currencies. US Treasury prices fell. The labour market's resilience has been attributed to a reluctance by businesses

to lay off workers following difficulties hiring in the past year as the Covid-19 pandemic forced some people out of the workforce, partly due to prolonged illness caused by the virus.

While government data this week showed job openings dropped by 1.1 million, the largest decline since April 2020, to 10.1 million on the last day of August, there are still 4 million more vacancies than there are unemployed Americans. An Institute for Supply Management survey on Wednesday also showed several services industries reporting labour shortages in September.

But with the headwinds from higher borrowing costs and slowing demand rising, economists expect companies will significantly pull back on hiring, with negative payrolls likely next year. Economists say businesses have been backfilling open positions as they struggled to expand headcount to match increased demand for their products, driving up job gains.

The US central bank has hiked its policy rate from near-zero at the beginning of this year to the current range of 3.00 per cent to 3.25 per cent, and last month signaled more large increases were on the way this year.

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Taiwan's chip firms to follow new US rules on China

REUTERS, Taipei

Taiwanese semiconductor companies attach "great importance" to complying with the law, the island's government said on Saturday, signalling they would comply with new US export controls that aim to hobble China's chip industry.

The rules announced Friday by President Joe Biden's administration include a measure to cut China off from certain chips made anywhere in the world with US equipment, vastly expanding its reach in its bid to slow Beijing's technological and military advances.

Taiwan, a major chip producer, is home to Taiwan Semiconductor Manufacturing Co (TSMC), the world's largest contract chipmaker and a major supplier to companies including Apple Inc.

In a statement in response to the US announcement, Taiwan's Economy Ministry said Taiwanese firms were law-abiding. "Taiwan's semiconductor industry has long served global customers and attaches great importance to compliance with laws," it said.

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"In addition to complying with domestic laws and regulations, it will also cooperate with the needs of international customers who place orders and the norms of customers in their countries."

Taiwan's semiconductor industry is a technological leader and continues to "maintain an advantage in the competition for international orders", the ministry said.

The government continues to maintain close contact with manufacturers and supports them in investing in factory expansion and supplying products to the world for technological development, the ministry said.

TSMC declined to comment on the US rules, saying it was in its quiet period ahead of quarterly earnings next week. Smaller competitor United Microelectronics Corp also declined comment ahead of its earnings release later this month.

Taiwan has its own concerns about China, especially efforts by Chinese companies to poach chip talent and technical know-how. The government tightly restricts Taiwanese chip investment in China, the island's largest trading partner.

Taiwan's worries have gained pace as China mounts regular military drills near the island in an attempt to force it into accepting Beijing's sovereignty.

The United States is Taiwan's most important international supporter and arms supplier, despite the absence of formal diplomatic ties.

Taiwan Economy Minister Wang Mei-hua will visit the United States next week to respond to what her office called "concerns" about supply chains and geopolitical issues. She will visit US tech firms that are major customers of Taiwanese semiconductor companies.



People attend a job fair, where 8,000 jobs were available from 100 different employers, at Florida recently.

PHOTO: AFP/FILE