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CURRENT ACCOUNT BALANCE

Sinks further in red

AKM ZAMIR UDDIN

Bangladesh's current account balance sank further in the red in September, heaving the pressure on the exchange rate that is trading at record lows against the US dollar.

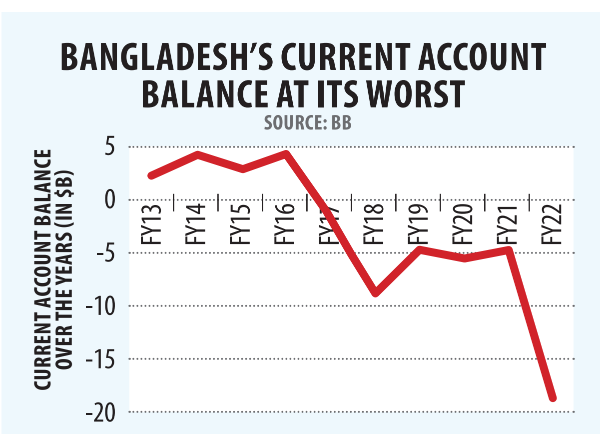
The current account records a nation's transactions with the rest of the world, specifically its net trade in goods and services.

At the end of September, the current account was $3.6 billion in the deficit as both exports and remittances dropped and imports remained elevated, according to data from the Bangladesh Bank.

A year earlier, the current account had posted a deficit of $2.5 billion.

"In August, the policymakers said the situation will get better soon citing the import control measures. But things are getting worse," said Zahid Hussain, a former lead economist of the World Bank's Dhaka office.

The deficit is expected to widen further seeing both export and remittance, the two main components of the current account, dropped for the second consecutive month in October.



In fact, as per BB's latest projection, the shortfall in the current account will swell to $16.5 billion by the end of fiscal 2022-23.

The yawning current account deficit -- which was $1.5 billion in August -- means the exchange rate and foreign exchange reserves will come under further pressure.

As of October 26, gross foreign exchange reserves stood at $35.9 billion -- an import cover of just a little over four months. A year earlier, reserves stood at $46.5 billion, which was enough to cover more than seven months of import bills.

On November 1, a dollar traded for Tk 103.50, down 20 percent from a year earlier.

If the taka depreciates further against the dollar, it will fuel inflation, said Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh.

In August, inflation hit a 12 year-high of 9.5 percent. It slowed to 9.1 percent in September, according to data from the Bangladesh Bureau of Statistics.

The exchange rate will come under further strain if the central bank tries to safeguard the foreign exchange reserves now, said Monzur Hossain, research director of the Bangladesh Institute of Development Studies.

The central bank has been injecting dollars into the

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In the absence of adequate dredging, sedimentation formed this island in the middle of the Turag in Bosila area of the capital. But encroachers have already built structures on it. The photo was taken yesterday.

PHOTO: RASHED SHUMON

Opposition out to stir instability

PM tells JS

STAFF CORRESPONDENT

Prime Minister Sheikh Hasina yesterday told the House that the opposition parties were trying to cause political instability, taking advantage of the economic crisis.

"When the country is at a critical phase, I haven't noticed any signs of worry among those in the opposition. Rather, I see them trying to whip up political instability, taking advantage of it. Is it fair?"

Hasina, also leader of the House, made the comments while replying to a supplementary question from Jatiya Party MP Mujibul Haque Chunnu.

Chunnu, a lawmaker from

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RHD eyes 174 acres of reserve forest

SIFAYET ULLAH, *Ctg*

The Roads and Highways Department is seeking 174 acres to widen a road through the Ramgarh-Sitakunda Reserve Forest in Chattogram amid concerns of damage to the environment and violation of rules.

One of the oldest and richest reserve forests in the country, the Ramgarh-Sitakunda Reserve Forest is home to 25 species of mammals, 123 species of birds, eight species of reptiles and 25 species of trees, according to data from the forest department.

If the 174 acres is leased out to the RHD thousands of trees would be cut down and irreparable damage would be done to the wildlife, said forest officials.

The RHD sent a letter to the divisional forest officer of Chattogram North Forest Division on October 14 last year, seeking the lease in order to widen the 38km Baraiyerhat-Hiako-Ramgarh road.

Mozammel Hoque Shah Chowdhury, divisional forest officer of Chattogram North Forest Division, said the land can only be leased out when it is declared de-reserved by the president.

He added that the road was built decades ago by ignoring the rules

and there were allegations that it was already used by locals to steal trees and poach animals.

Mozammel said he had told the RHD to request the prime minister for permission to take up the lease.

The Executive Committee of the

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LPG price up by Tk 51 per 12kg cylinder

UNB, *Dhaka*

The price of liquefied petroleum gas (LPG) has increased by Tk 4.25 per kg, to Tk 104.26 from previous rate of Tk 100.01 per kg, as the Bangladesh Energy Regulatory Commission yesterday announced the new value of the petroleum gas for the month of November.

As per the new price, a retail consumer will get a 12kg LPG cylinder at Tk 1,251 instead of previous price of Tk 1,200.

The prices of LPG for other sizes of cylinders from 5.5kg to 45kg will go up rationally, said BERC Chairman Abdul Jalil, who announced the new price at a virtual press briefing.

As per the announcement, the price of auto gas (LPG used

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Don't raise power prices

IMF mission asks Power Division; instructs PDB to think of subsidy alternatives

STAFF CORRESPONDENT

The International Monetary Fund did not suggest any increase in the electricity price right now, but it called for taking steps to make the power sector sustainable.

The call came during the meeting of the IMF staff mission and the Power Division led by its Secretary Habibur Rahman yesterday. The 10-member mission is in Dhaka on a 15-day tour to work out the conditions for the prospective $4.5 billion loan.

"This is for the first time that the IMF did not recommend raising the electricity prices. The IMF team informed that this [raising the price] will neither be a condition for getting the loan," a top official of the Power Division who attended the meeting told The Daily Star.

During the meeting, the Washington-based multilateral lender wanted to know the present situation and the plan for the country's power sector.

In response, the Power Division officials said electricity from three coal-based power plants -- Payra and Rampal and India's Adani Power -- will be added to the national grid by next January. Once added, there will be no crisis in the power generation sector, they said.

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Rejoinder, our reply

Ulka Games Limited on October 26 sent a rejoinder to a report run by The Daily Star the previous day under the headline "Online gaming site: Indian firm sells poker chips instead".

The rejoinder said the facts of the article are "ill-founded, have not been verified, and are baseless, false, and defamatory in nature".

"We along with our group companies, Ulka Games, Bangladesh, and Moonfrog Asia Pte Ltd are engaged in the business of producing, developing, promoting, marketing, and publishing gaming software for both mobile and online platforms. All products of the company are compliant with the requisite laws of the different jurisdictions and are made available only after obtaining the necessary permissions/approvals."

The company has not provided any services which are not in accordance with the law of the land, and has followed due processes, and is in full compliance with the laws of the land, the rejoinder said.

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It needed a direct hit from the deep to dismiss Liton Das, who gave Bangladesh a rollicking start with a 27-ball 60. Liton's dismissal, though, saw the chase lose steam as the Tigers eventually suffered a five-run defeat (D/L) against India in their T20 World Cup Super 12 clash in Adelaide yesterday.

PHOTO: AFP

ICC MEN'S T20 WORLD CUP AUSTRALIA 2022

Another heart-breaker against India

SPORTS REPORTER

Bangladesh could have pulled a rabbit out of a hat and snatched a famous win against India in the T20 World Cup yesterday after an electrifying 50 from Liton Das saw them come out of a rain delay 17 runs ahead of the DLS par score.

But once again a Bangladesh-India thriller resulted in a heart-breaking five-run loss for the Tigers in Adelaide in yet another World Cup encounter.

Bangladesh were flying high in chase of a sizeable 185-run target after a Liton special. The stylish right-hander mixed class with a great deal of aggression and smashed the second-fastest half-century by a Bangladeshi in T20 World Cup history off just 21 balls.

Bangladesh took the attack to an experienced Indian bowling department and were cruising at 66 without loss after seven overs when rain interrupted the game.

But things changed dramatically for Bangladesh after the match resumed and they were set a revised target of 151 from 16 overs, beginning with Liton's unfortunate run out for a 27-ball 60. Bangladesh then went on to lose five wickets while scoring just 24 between overs 9-13, which took the game away from them.

However, Nurul Hasan Sohan's quickfire 14-ball 25 kept hopes alive till the final ball of the game.

"That has been the story when we play against India. We are almost there but we can't cross the finish line,"

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