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Star BUSINESS

Flower sales bloom amid celebrations

SUKANTA HALDER

On a chilly Saturday morning two men sit at a flower shop in the capital's Shahbagh with different flowers, thread, wrapping paper, adhesive tape and other materials.

One of the men, Jahidul Islam, a private sector employee, was giving directions to the other, a florist, for a customised flower basket for a New Year's celebration programme at his office.

"Without flowers, we could not even imagine an event or celebration. I came early...because I thought it would be very busy here," said Islam.

Another customer, November Tuesday, was looking for flowers that match the colour of a cake. A software engineer by profession, she said it was meant for her parents for their wedding anniversary on December 31.

The retailers are hoping that they would be able to bounce back to profitability after two years of gloomy sales following the emergence of the pandemic

With increasing orders coming in centring New Year's celebrations and other events, the flower shops are becoming increasingly busy catering to customers amid their peak season for sales.

The retailers are hoping that they would be able to bounce back to profitability after two years of gloomy sales following the emergence of the pandemic.

In Bangladesh, demand for flowers starts to peak from November when the wedding season begins, they said.

The demand continues to stay high for more than four months for some national and global events.

These include Victory Day on December 16, Christmas Day on December 25, New Year's celebrations on December 31, Pohela Falgun, the first day of spring in the Bangla month of Falgun, Valentine's Day on February 14, International Mother Language Day on February 21 and Independence Day on March 26.

Many people and large corporate companies organise various events

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Demand for flowers starts to rise from the wedding season of November and continues to stay high for more than four months for some national and global events. Flowers worth around Tk 1,500 crore are sold annually in Bangladesh, according to Bangladesh Flower Society. The photo was taken at Shahbagh in the capital yesterday.

PHOTO: ANISUR RAHMAN

What's in store for Bangladesh in 2023?

MD FAZLUR RAHMAN

Both the International Monetary Fund and the World Bank have painted a gloomy scenario for the global economy for 2023 as uncertainty persists amid the protracting Russia-Ukraine war, the volatility in the international energy market and higher inflation. The world is expected to head for a recession.

Two weeks ago, World Bank Chief Economist Indermit Gill said they expect the global economy to grow by less than 3 per cent, and 2023 will be even worse.

The world faces record debt levels, declining investment rates, high inflation and widespread hunger.

"As a result of all of these things, there is actually growing political instability. Things have become a lot worse in these 11 months," he said.

"Overall, this year's shocks will re-open economic wounds that were only partially healed post-pandemic. In short, the worst is yet to come and, for many people, 2023 will feel like a recession," wrote Pierre-Olivier Gourinchas, the director of research of the IMF, in October.

Under such a grim prognosis, Bangladeshis will ring in 2023.

Although the country is expected to surpass the global average growth rate comfortably, headaches for the country are deepening. This is because the economy is beginning 2023 on the back foot for the depletion of the foreign currency reserves, the higher US dollar rate, the runaway inflation, gas shortage, lower remittance, and moderate exports.

"The situation is very uncertain," said MM Akash, a professor of the department of economics at the University of Dhaka.

Some of the problems are known for ages. They include the governance in the banking system and the lower tax-to-GDP ratio. But little has been done to resolve them.

But the banking sector has already seen the first glimpse of the cost of inaction when depositors began to pull out funds fearing that banks might become insolvent after loan-related irregularities involving some Shariah-based lenders surfaced recently.

While the taka depreciation and softening of some commodity prices could improve terms of trade in the medium-term, global ratings agency Moody's expects the energy crisis to exacerbate balance of payments and liquidity risks in the near-term.

"2023 would be a difficult year if large economies face recession and China finds it very difficult to overcome the current struggle," said Zahid Hussain, a former lead economist at the World Bank's Dhaka office.

The three largest economies -- the United States, China, and the euro area -- will continue to stall, said the IMF.

"If Europe encounters a deep recession for a longer period, it would be bad news for Bangladesh," said Hussain. The continent accounts for more than 60 per cent of the country's export earnings.

Hussain suggests Bangladesh move out of the wrong steps as quickly as possible.

"Bangladesh Bank has said that it would make the exchange rate uniform and go for a floating rate when the situation returns to normalcy. It is like taking medicines after the disease is cured. The situation would not return to normalcy if you don't remove the bottlenecks."

He, however, acknowledged that removing multiple exchange rates and the lending rate cap are not the panacea. "But they stand in the way of increasing the supply of US dollars."

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Policies and reality checks

ZAHID HUSSAIN

The beginning of a new year is not just a moment for resolution. We are in a season that is about both reflecting on the past and looking forward to the future. 2022 ended with many unpredictable outcomes. Most worryingly, there is no end in sight in the war in a large part of Eastern Europe. We may be just one accident due to malfunction, bad aim, or deliberate provocation away from something globally cataclysmic.

Be that as it may, there is a chance that next year will bring Armageddon of the economic kind. There are worries about how developed economies will respond to the global shift towards higher interest rates and tighter monetary policy. Chinese authorities have abandoned the zero-Covid policy responsible for slowing growth and public unrest.

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Govt developing 10 export sectors to earn $1b from each

Says Tipu Munshi

STAR BUSINESS REPORT

The government has been working to develop 10 sectors so that each of those can earn $1 billion through exports within the next couple of years, Commerce Minister Tipu Munshi said yesterday.

Of the 10, four have already crossed the $1-billion mark so far, he said.

For instance, apart from garment items, export earnings from jute and jute goods and leather and leather products exceeded $1 billion, Munshi told a press briefing marking the inauguration of the 27th Dhaka International Trade Fair (DITF).

Despite gloomy global economic outlooks, Bangladesh will be able to achieve the export target at the end of the current fiscal year, the minister said while replying to queries of journalists at the press briefing in the fair venue.

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Prime Minister Sheikh Hasina is scheduled to inaugurate the month-long DITF at Bangabandhu Bangladesh-China Friendship Exhibition Center at Purbachal in Dhaka today.

Some 331 stalls have been installed at the DITF, including 18 showcasing products of foreign companies.

Some 70 buses of Bangladesh Road Transport Corporation will ply between Kuril and the venue to facilitate movement of visitors. The fare is fixed at Tk 35 per passenger and there is a 50 per cent discount payments through bkash, said the minister.

If necessary, the number of buses will be increased to 150, he said.

The entry fee has been fixed at Tk 40 for adults and Tk 20 for children and no charge is applicable for freedom fighters and differently able persons, he said.

Punitive measures will be taken against any company found cheating customers and a complaint centre will be in operation to maintain discipline at the venue, said Munshi.

Last fiscal year, export earnings stood at $61 billion although the target was much lower. This fiscal too, it is possible to achieve the target of $67 billion as exports are rebounding now, he said.

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STOCKS WEEK-ON WEEK

DSEX ▲	CASPI
0.07%	Flat
6,206.81	18,328.02

COMMODITIES AS OF FRIDAY

Gold ▲	Oil ▲
$1,823.86 (per ounce)	$80.53 (per barrel)

ASIAN MARKETS FRIDAY CLOSINGS

MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▼ 0.48%	Flat	▲ 0.06%	▲ 0.51%
60,840.74	26,094.50	3,251.32	3,089.26