

Star BUSINESS



Turkish mosaic lamps made out of stained glass adorn a stall at the monthlong Dhaka International Trade Fair-2023 at Bangladesh-China Friendship Exhibition Centre in the capital's Purbachal. Some 17 organisations from 10 countries including Singapore, Indonesia, Korea and India alongside local companies have erected some 351 stalls, pavilions and mini pavilions. The fair is running every day from 10:00am to 9:00pm whereas until 10:00pm during weekends. The entry fee for adults is Tk 40 while for minors Tk 20. The photo was taken yesterday.

PHOTO: RASHED SHUMON

Gold price hits record high

STAR BUSINESS REPORT

The price of gold has hit Tk 90,714 per bhoori, the highest in the history of Bangladesh, as Bangladesh Jewellers' Association (Bajus) decided to hike prices of the precious metal by 3 per cent from today.

"We have decided to increase prices as we have to pay higher to buy from the international market. The increased cost of dollars has also fueled gold prices," said MA Hannan Azad, chairman of the Bajus standing committee on pricing and price monitoring.

Before the hike, the price of each bhoori (11.66 grams) of 22 carat gold was Tk 88,382 or Tk 7,580 each gram, according to a Bajus press release.

The association took the decision as the price of pure gold went up in the local markets, it said.

Earlier, the price of gold had increased on December 29.

REJAUL KARIM BYRON and MD ASADUZ ZAMAN

The financial account of the balance of payments (BoP) turned negative in the first five months of the current fiscal year, highlighting the challenges Bangladesh is facing in protecting its foreign currency reserves from depletion as funds outflows exceeded inflows.

A financial account is a component of the BoP that covers claims on or liabilities to non-residents concerning financial assets. Its components include direct investment and portfolio investment.

In July-November of the

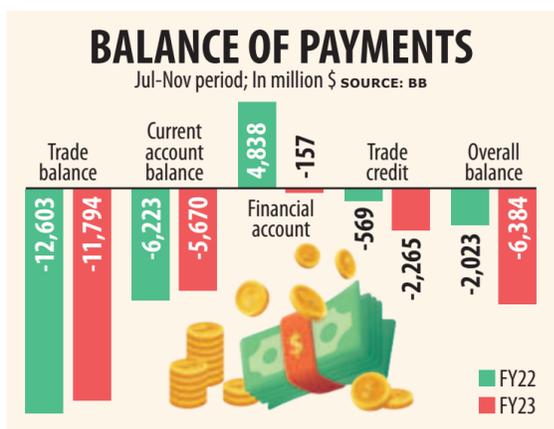
current fiscal year, the financial account deficit stood at \$157 million, way lower than a surplus of \$4.84 billion recorded in the identical period a year earlier, data from the central bank showed.

"As far as I can remember, the financial account has never been in deficit in the last 20 years. It always used to be a surplus," said Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh.

The crisis facing the BoP may accelerate the depletion of the country's foreign currency reserves, which stood at \$33.63 billion on January 4, down from \$44.95 billion a year earlier.

Balance of payments under stress

Fund outflows exceed inflows



Zahid Hussain, a former lead economist of the World Bank's Dhaka office, echoed Mansur.

"Usually, the financial account shows surplus but it is now in deficit. In the coming days, the pressure on foreign currency reserves may persist," Hussain said.

The BoP is the difference

between all money flowing into the country in a particular period of time and the outflow of money to the rest of the world. It also refers to the incoming and outgoing amounts of export-import, remittance and services which also show in the current account balance.

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Amnesty to bring back black money yields no result

REJAUL KARIM BYRON and DWAIPAYAN BARUA

The maiden tax amnesty offered by the government to bring back laundered money home has seemed to have brought no result since none secured the facility in the first six months of the current fiscal year.

In the past, governments offered opportunities to whiten untaxed money generated in the country. In June, the government unveiled the scope to legalise the money that has been laundered abroad, the first of its kind. The funds can be legalised by paying a 7 per cent tax.

The government initiated the move to boost revenue as well as mobilise foreign currencies at a time when Bangladesh's foreign currency reserves have come under pressure amidst global economic turmoil.

As per the offer, no question could be raised by any authority, including the income tax department, about the source of any undisclosed asset located outside of Bangladesh if the taxpayer pays the tax.

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Recently, Finance Minister AHM Mustafa Kamal told The Daily Star that the government has nothing to do if no one avails the opportunity.

"We did not prepare the budget taking this offer into consideration. We have kept this opportunity in the budget."

Ahsan H Mansur, executive director of the Policy Research Institute, thinks the money that has been laundered abroad might have got stuck there, so the launderers are now trying to legalise the money in Bangladesh.

If money launderers can't legalise their money abroad, they might then avail the government's opportunity. But they would try to whiten the money abroad until the last minute. So, they might not bring the money back ultimately, said the former economist of the International Monetary Fund.

Prof Mustafizur Rahman, a distinguished fellow of the Centre for Policy Dialogue, questioned: "Who will bring laundered money back home?"

"By offering such an opportunity, the government has earned discredit. It has not achieved anything."

In June, the CPD described the offer as morally unacceptable, economically unrealistic and politically unhelpful.

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Index	Change	Value
DSEX	▼ 0.21%	6,193.96
CASPI	▼ 0.15%	18,298.89

Commodity	Change	Value
Gold	▲	\$1,866.13 (per ounce)
Oil	▼	\$73.72 (per barrel)

Market	Change	Value
MUMBAI	▼ 0.75%	59,900.37
TOKYO	▲ 0.59%	25,973.85
SINGAPORE	▼ 0.48%	3,276.72
SHANGHAI	▲ 0.07%	3,157.64

20 goods account for 51pc of total import spending

MOHAMMAD SUMAN, Chattogram

Of all the money spent behind the 4,500 types of goods imported through the Chattogram port in the first five months of fiscal year 2022-23, more than 51 per cent or Tk 104,600 crore was spent for only 20 products.

The 20 include old ships and scrap, diesel, furnace oil, crude fuel oil, palm oil, crude soybean oil, soybean seed, wheat, lentil, cotton, fertiliser and cement clinker.

The products generated Tk 7,794 crore in revenue for the government.

Their import has increased by 52 per cent year-on-year. Traders said costs had increased due to a rise in the exchange rate of the taka with the US dollar and a rise in international market prices.

According to Custom House Chattogram, about 37.28 million tonnes of goods worth Tk 205,300 crore were imported in the July-November period.

The 20 products were of 21.36 million tonnes. "Majority of import expenditure is spent on import of fuel oil and raw materials for export oriented and domestic industries," Mahbulul Alam, president of the Chattogram Chamber of Commerce and Industry, told The Daily Star.

"It has positive aspects for the country's economy. This year import costs are higher than usual due to the increase in the dollar rate," he said.

The import data shows that the highest amount of money, or 11 per cent, was spent behind importing cotton, one of the garment industry's raw materials availing duty-free entry.

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Item	2021-22		2022-23	
	Weight (In tonne)	Value (In crore taka)	Weight (In tonne)	Value (In crore taka)
Cotton	667,549	12,436	770,074	22,259
Fuel oil	4,102,649	15,867	4,649,613	20,347
Scrap	3,189,206	12,497	2,423,614	11,829
Edible oil	1,321,799	10,278	1,729,130	407,332
Fertiliser	509,846	2,883	1,011,044	9,653
Cement clinkers	6,670,672	3,494	6,550,263	4,006
Wheat	733,720	2,275	875,127	3,740

SOURCE: CTG CUSTOMS

FOOD DELIVERY Basmati kachchi, biryani sought most on New Year's Eve

MAHMUDUL HASAN

Basmati kachchi and biryani were food items sought the most from the country's top food delivery platforms on December 31 during celebrations of New Year's Eve.

Delivery platform Foodpanda received the highest number of orders for basmati kachchi followed by beef tehari and chicken biryani. Among those delivered from homes, biryani was the most sought after followed by kebab and fries.

"We have seen strong order volumes throughout the month, and especially during the holiday weekends, including New Year's Eve," said Fahim Ahmed, chief executive officer at Pathao.

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