BUSINESS





JEWELLERY FAIR Visitors seek new designs, discounts

SUKANTA HALDER

A three-day jewellery fair that opened in Dhaka yesterday witnessed, as per the organisers, good turnout of visitors, a number of whom cited that they were looking for new designs, discounts and potential wedding gifts.

About 50 entities are participating in Bajus Fair-2023, organised by Jeweller's Bangladesh Association (Bajus) and 10:00am to open from 9:00pm at International Convention Bashundhara.

Among the visitors were 60-year-old Mohammad Abul Kashem and his wife bargaining over the price of some jewellery meant for their son's upcoming wedding.

"I cannot get the design I want," said Kashem, adding that they were also looking for discounts. "I have never been to this kind of fair before. It feels good," he said. READ MORE ON B3



Showcasing of the latest designs will give the country a better standing in the global gold jewellery trade and thereby improve the local industry, says Bangladesh Jeweller's Association (Bajus), the organiser of Bajus Fair-2023, which opened yesterday and will also run today and tomorrow from 10:00am to 9:00pm. The photo was taken at International Convention City Bashundhara. PHOTO: AMRAN HOSSAIN

BB injects \$330m into market since IMF loan

AKM ZAMIR UDDIN

The Bangladesh Bank has injected \$330 million into the country's foreign exchange market since February 1 when the International Monetary Fund disbursed \$476.27 million to Bangladesh as the first installment of a \$4.7 billion loan.

The Washington-based lender remittance receipts. approved the loan in January under the extended credit facility (ECF) and the extended fund facility (EFF) to help the country defuse the ongoing volatility in its foreign exchange market.

Although the IMF has suggested Bangladesh reduce the frequent injection of US dollars into the market, the

central bank has not followed the recommendation vet, said Ahsan H Mansur, executive director of the Policy Research Institute.

Between July 1 and February 9, the central bank supplied a record \$9.44 billion to the market, according to data from the BB. After the disbursement of the

first tranche of the loan, the reserves stood at \$32.69 billion on February 2, but the volume fell to around \$32.6 billion yesterday owing to the continuous dollar injection into the

RMG goods

laundering

STAFF CORRESPONDENT,

The Customs Intelligence

seized nine consignments

of Sabiha Saiki Fashion,

as it was found that the

Dhaka-based exporter was

money by shipping goods

The directorate found

that the company exported

85 consignments worth

Tk 22 crore through

Chattogram port in the last

three years since January

1 of 2020, but, so far,

no foreign currency was

repatriated to Bangladesh

told The Daily Star that they

temporarily halted process

of the bill of exports of new

15 consignments of Sabiha

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The directorate officials

with fake documents.

Investigation

laundering

seized on

money

charges

Directorate

supposedly

against those.

February 9 last year.

The IMF support came as Bangladesh continues to face an exchange rate instability fuelled by a US dollar shortage caused by the fast depletion of the reserves amid escalated import payments against lower-than-expected export and

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> According to an IMF document, exchange rebuilding foreign reserves remain a critical priority for Bangladesh in the short term.

> Greater exchange rate flexibility, including attracting remittance inflows through formal channels, and scaling back non-monetary use of foreign exchange reserves, are expected to stabilise the reserves in the context of the ECF and the EFF programme, the IMF said.

> "Foreign exchange interventions, which increased since the start of Russia's war in Ukraine, should be

> > **OILSEED, PULSE**

Seed supply

far below

requirement

The reserve was \$45.39 billion on limited to addressing disorderly market conditions."

The government will have to start following IMF conditions from March this year.

As per the global lender's quantitative performance criteria, foreign exchange reserves can't be below \$24.5 billion in June, \$25.3 billion in September, and \$26.8 billion in December.

Mansur explained that around \$7 billion would have to be added to the reserves calculated by the IMF as the central bank considers the Export Development Fund and the funds under some other schemes while calculating its reserves. This means the

central bank will have to keep a reserve of at least \$32 billion in June.

"So, the central bank should cautiously supply foreign currencies to the market. If the reserves slip below the level, the IMF may discontinue its programme and postpone its next disbursement,' Mansur said.

The IMF will disburse \$4.7 billion in several installments over a

42-month period. If the export earnings and remittance don't increase to the

Japan bank wants to invest in sugar, fertiliser industries STAR BUSINESS REPORT

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STAR BUSINESS REPORT

The public and private sectors of Bangladesh have made strides in supplying farmers with quality seeds of vegetables and food grains over the last one-and-a-half decade. But progress in the supply of standard oilseeds

and pulses have been sluggish amid a lack of interest among formal agencies. Today, firms mainly from the private sector

supply 100 per cent of the high yielding and hybrid seeds of vegetables. In case of rice and maize, the ratio of supply of improved seeds is 65 per cent and 74 per cent respectively. As a result of the increased supply of seeds of

major crops by public and private agencies, the overall supply of quality seeds grew two-and-ahalf times to 32 per cent in fiscal year 2021-22 from 13 per cent in fiscal year 2005-06, according to estimates by the agriculture ministry. However, the supply of oilseeds to produce

edible oil, for which Bangladesh largely depends on imports, is 17 per cent against a demand of 3,657 tonnes.

In case of pulses, which is mostly imported as well, the rate of supply of quality seeds against a demand of 3,370 tonnes is 13 per cent, the data

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The Japan Bank for International Cooperation (JBIC) has expressed investing in Bangladesh's sugar industry as well as setting up a fertiliser factory like the one in Ghorashal town under Palash upazila of

Narsingdi. The JBIC also expressed interest in financing other sectors, including electric metres and automobiles.

JBIC Governor Hayashi Nobumitsu vesterday informed Industries Minister Nurul Majid Mahmud Humayun of their interest at the latter's office in Dhaka's Motijheel.

Md Arifur Rahman Apu, chairman of the Bangladesh and Food Industries Corporation, Md Saidur Rahman, chairman of the Bangladesh Chemical

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Cotton import to go down **USDA** says on Bangladesh

STAR BUSINESS REPORT

A big appreciation of the US dollar against the local currency along with a perennial inadequacy of gas pressure in supply lines have started to have a detrimental impact as cotton import is projected to be lower this year.

Even in June last year, each US dollar was sold at Tk 91. It has now climbed to Tk 110 because of a shortage of dollars in the markets.

As a result, the import of many consumer goods has been affected as local importers have cut back on opening letters of credit (LCs).

At the end of the current marketing year of cotton in September, Bangladesh was supposed to import nine million bales of raw cotton, said Mohammad Ali Khokon, president of Bangladesh Textile Mills Association (BTMA).

But the amount will be around eight million bales, he told The Daily Star over the phone.

Currently, almost all spinning and weaving mills are running at just over 30 per cent capacity because of the inadequate pressure of gas at industrial units, he said. The gas pressure is still low even though

prices of the fossil fuel have been increased, he said, adding that unsold stocks of yarn were also gradually decreasing for a steady rise in demand. Khokon's claim was substantiated by

almost similar predictions of the United States Department of Agriculture (USDA). For instance, the USDA in February said in

the year 2022-23, Bangladesh may import 7.9 million bales of raw cotton whereas the previous prediction in January was 8 million bales.

A lower consumption of clothing items by

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It will not be

possible to stop the erosion of

forex reserves by

IMF funds given

and import payments

the volume of debt servicing

only using the

MUSTAFIZUR RAHMAN