



Mosquito coil holders, piggy banks, pots, jugs and a myriad of earthen household items made in Barishal's Bakerganj upazila being delivered for sale in Khulna city. Traders say sourcing the items from so far away, some 130 kilometres by road to be exact, is worth it for the quality ensured. The photo was taken at 6 No Ghat recently. PHOTO: HABIBUR RAHMAN

# Banglalink tops the chart in customer acquisition

MAHMUDUL HASAN

The mobile subscriber base in Bangladesh saw a slight growth in January this year compared to that a month earlier, with Banglalink continuing to showcase a strong performance in expanding coverage.

Network operators added 6 lakh people to take the total number of subscribers to 18.08 crore in the first month of the year, according to Bangladesh Telecommunication Regulatory Commission (BTRC).

And Banglalink alone contributed about 55 per cent of the sector's overall growth in customers, shows the BTRC data. Robi Axiata, the second largest telecommunications carrier network, added more than 2 lakh customers while top placed Grameenphone registered only 70,000 new users and the state-run Teletalk lost some customers.

Banglalink crossed the milestone of four crore subscribers by acquiring 3.3 lakh clients in January 2023. With the new customers, Banglalink's subscriber base stood at around 4.14 crore at the end of the month.

With this achievement, Banglalink

became the market leader in terms of customer acquisition in 2022 with 26 lakh new users.

The company's strong performance can be attributed to mainly two reasons. The first is its strong performance in ensuring service quality, especially data services, while the second is its massive network expansion across the country.

As per Ookla's Speedtest Intelligence report, Banglalink delivered the fastest average download speed among the top local mobile network operators with 19 Mbps in the fourth quarter of 2022.

It recently completed the deployment of 4,000 base transceiver stations, taking the total to more than 14,500. The expansion resulted in a roughly 40 per cent expansion of Banglalink's total coverage.

"Banglalink's fast-paced network expansion drive is a demonstration of our commitment to becoming a truly national operator," Erik Aas, CEO of

Banglalink, said in a recent statement.

"Banglalink's acquisition of four crore subscribers marks the beginning of another glorious chapter in our journey," Aas added.

On a year-on-year basis, the network carrier's subscriber base grew 7.86 per cent in January.

The subscriber count of Robi Axiata, which runs operations under brand names Robi and Airtel, increased by about 2 lakh month-on-month in January to 5.46 crore.

On a year-on-year basis, its subscriber base rose by around 2 per cent. Meanwhile, Grameenphone failed to attract a large pool of customers even though a sales ban on its SIMs was lifted in early January.

With just 70,000 new customers that month, the leading network provider's subscriber base stands at 7.93 crore.

Earlier on June 29, the telecom regulator banned Grameenphone's SIM sales until it "improves its quality of service, including bringing down the call

drop rate".

The ban was eventually lifted on January 2.

After the SIM sales ban was withdrawn, Grameenphone started its market activities, stopped the degrowth in its subscribers and added 70,000 people, said Khairul Basher, head of communications at Grameenphone.

"Macroeconomic factors are also a considerable reality in the industry, resulting in a shift in customer behaviour and usage patterns," he added.

On a year-on-year basis, the company's subscriber base decreased by around 4.43 per cent. The number of customers of Teletalk decreased by 10,000 month-on-month in January to 66.8 lakh.

On a year-on-year basis, the state-run operator's total number of subscribers dropped 7 lakh in January.

Although there are around 18 crore active SIMs, there are only about 12 crore unique users as a single person can have multiple numbers, according to a top official of the telecom ministry.

As per the BTRC guidelines, each subscriber is allowed to register a maximum of 15 SIMs against their national identity card.



## Sri Lanka shows commitment to rapid disinflation - IMF

REUTERS, Colombo

Sri Lanka's decision to raise interest rates shows the crisis-hit country's commitment to reducing inflation quickly towards single-digit levels, the International Monetary Fund (IMF) said on Saturday.

In a surprise move, the South Asia nation's central bank raised rates by 100 basis points on Friday to battle inflation, which is at 50.6 per cent. The government is awaiting approval of a \$2.9 billion IMF bailout package as it endures its worst financial crisis since independence from Britain in 1948.

"Sri Lanka's inflation is declining but remains at a very high level, which has been disproportionately hurting the poor, the IMF said in a statement. "Upside inflation risks could reverse the trend and lead to persistently high inflation which is extremely costly to the economy."

Durable disinflation would help boost market confidence in the island nation, reduce excessive risk premia of government securities and ease the financing conditions for companies, which supports recovery, the global lender said.

The central bank raised its standing deposit facility rate to 15.50 per cent and its standing lending facility rate to 16.50 per cent, and said it would relax its currency band to move towards a market-determined exchange rate as it seeks to secure the bailout. The bank raised rates by 950 bps in the first half of last year to contain the country's financial crisis. But Friday's rate hike, the first since July, was largely unexpected by analysts and economists.

The IMF also backed tax hikes and power tariff increases implemented this year, which have drawn protests from public workers who have demanded a fairer taxation policy from the government.

## Pakistani rupee strengthens 2.38% versus dollar

REUTERS, Karachi

The Pakistani rupee on Friday strengthened 2.38 per cent in interbank closing at 278.46 rupees against the dollar, a day after the central bank raised its policy interest rate by 300 basis points (bps) to 20 per cent, trading data showed.

The rupee, which fell more than 6 per cent on Thursday, was trading at 275.5 against the dollar during the day, up nearly 3.5 per cent, after the opening session.

"The rupee may have appreciated over the governor's statement in the analyst meeting where he says the IMF has not asked to match the border rate," says Mustafa Pasha, chief investment officer at Lakson Investments.

Pasha added that expectations of reaching a staff level agreement soon have shot up now that

the government has floated the currency, withdrawn farmer-export subsidies, and imposed electricity surcharges.

He says, "On the other hand, it could be that the SBP has done a soft intervention or overseas Pakistanis decided to remit after seeing the rupee touch 286 against the dollar."

The value of the local currency has been depreciating amid delays in a funding deal with the International Monetary Fund (IMF), which is crucial for the South Asian's broken economy faced with a balance-of-payment crisis.

The sides have been negotiating a policy framework since the start of last month to agree on measures to bridge the fiscal deficit ahead of an annual budget around June.

A staff-level agreement is yet to be signed, which finance minister Ishaq Dar said on Thursday should be done by next week.



A currency trader counts Pakistani Rupee notes as he prepares an exchange of U.S dollars in Islamabad, Pakistan on December 11, 2017. PHOTO: REUTERS/FILE

## Leather exporters stare

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Now, the adverse impacts of the Russia-Ukraine war are stifling the sector once again.

Nasir Khan, managing director of Jennys Shoes Ltd, said his company's exports have been gradually slimming ever since they cleared shipments for winter and Christmas.

"Export orders for summer footwear are lower than what they were last year due to the rise in bank interest rates across the globe amid the economic crisis," he said, citing how retailers in Europe do not want to take the added burden to mobilise capital.

Khan went on to say that exporters have become cautious about injecting fresh funds into production considering the reduced volume of orders.

Bangladesh mainly exports low-priced products that are used by common people. But orders in this segment have slowed, which means that the global economy is weakening.

"We are not sure if this trend will continue for the rest of the fiscal year as the global crisis stemming from the Russia-Ukraine war is showing no signs of abating anytime soon," Khan added.

With this backdrop, he urged the government to resolve the issues related to bonded warehouse facilities and sought cooperation from the National Board of Revenue and customs authority to this effect.

Khan also said the leather industry does not get the necessary support from the government, for which exporters are unable to lift their earnings even though there is huge potential.

Mohammed Nazmul Hassan Sohail, managing director of Leatherex Footwear Industries Ltd, said their export growth has yet to reach pre-pandemic levels as it declined 40 per cent in the first half of the current fiscal.

"While export orders are slightly higher at the moment, the overall shipment volume is not growing," Abdus Samad, assistant general

manager of Akij Footwear Ltd, said their exports have been climbing this year even though overall export growth in the sector is falling.

While stating that export performance differs from company to company, he said that most exporters are registering lower shipments due to the ongoing global economic crisis.

As such, finished leather exports came down to \$77.27 million in the July-January period of 2022-23 while it was \$84.79 million during the same period the year before.

Mohiuddin Ahmed Mahin, president of the Bangladesh Finished Leather, Leathergoods and Footwear Exporters Association, blamed three factors for the decline in exports.

First, international prices are less compared to what they were in the preceding fiscal year.

Second, buyers do not feel interested in purchasing products from Bangladesh given the country's non-compliance with the guidelines of the Leather Working Group, a global multi-stakeholder community committed to building a sustainable future with responsible leather.

And third, the war has disrupted supply chains while also giving rise to other economic concerns.

For example, exporters shipped the same quantity of finished leather in July-January as they had last year but earnings were lower as production costs grew due to the sharp appreciation of the US dollar against the taka.

The local currency has lost its value by about 25 per cent against the American greenback in the past one year, making imports costlier.

"We have to import chemicals and other products for tanning and processing leather at higher prices due to the appreciation of the US dollar," Mahin said.

While pointing out that the prices they get have decreased by 20-25 per cent compared to last year, Mahin said he does not see how the situation can improve in 2023 until the global economy recovers fully.

## FBCCI summit to seek investment

STAR BUSINESS REPORT

The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) wants its upcoming business summit to draw foreign investment to explore Bangladesh's economy and industries which bear potential, said its president, Md Jashim Uddin yesterday.

Bangladesh's economic strength and capacity, market potential, and emerging sectors will be highlighted at the international level through the summit, he said.

Jashim was addressing a press conference the country's apex trade body organised at Pan Pacific Sonargaon Dhaka to inform about partnering with the government to hold the three-day Bangladesh Business Summit 2023 from March 11 at International Convention City Bashundhara.

Marking the country's 50th anniversary of independence, the event is scheduled to share business environment improvements, investment successes and good practices and gain insights of global investors' priorities for the development of policies.

The objective of the summit includes securing concrete investment proposals, developing a solid investment pipeline for important sectors and facilitating effective networking, dialogue and partnership opportunities among national and international investors, policymakers and stakeholders, according to the organisers.

## BGMEA, Texprocil to work on Indo-Bangla trade

STAR BUSINESS REPORT

There is a huge prospect for enhancing trade between Bangladesh and India, especially in garment and textile sectors, according to Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

Collaboration between the governments and among the businesses could pave the way for more bilateral trade, he said.

Hassan was speaking at a meeting with a delegation of India's Cotton Textiles Export Promotion Council (Texprocil) led by Chairman Sunil Patwari at the BGMEA complex yesterday to discuss challenges and opportunities of the bilateral trade.

"With a growing middle-class population, India is a highly potential market for Bangladesh's garment exports. Bangladesh is also a promising market for Indian cotton, manmade fibres, dyes, chemicals and other raw materials," he said.

The apparel and textile sectors have the potential to complement each other and get reciprocal benefits, he added.

The BGMEA president also called upon the countries to remove trade barriers and build adequate infrastructure and transport facilities at land ports to accommodate increased transportation demand.

In the meeting, the BGMEA and Texprocil agreed to collaborate to facilitate more business between the countries.

## Dhaka bourse

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still qualify to meet the condition, so they have been lured to the new board, the broker said.

"The board has offered a huge scope to manipulators to make unprecedented gains. But it is contributing little to help SMEs raise funds," the broker added.

The BSEC worked on Yusuf Flour Mills stocks and found that its price was overvalued mainly because the number of tradeable (free float) shares is low whereas the number of sellers was a few, said Mohammad Rezaul Karim, spokesperson of the BSEC.

The number of shares of the flour mills is 6.06 lakh, of which 53.8 per cent is held by its sponsors, according to the DSE data.

Though the company reopened its factory, its earnings don't match the prices, he admitted.

"So, we are working to make the SMEs raise their paid-up capital. But it takes time," said Karim, urging investors to buy a stock after analysing companies' potential.

After the launching of the board, 10 SME companies raised Tk 104 crore from the market, DSE data showed.

## BSEC fines four

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involved in serial trading to manipulate the price of the stock of Bangladesh National Insurance Company.

Serial trading is the buying and selling of shares between the same beneficiary accounts in order to impact the share price.

During the manipulation period, there were some prominent buyers and sellers of the stock, including cricket all-rounder Shakib Al Hasan, according to the BSEC.

Through the malpractice, the four gained a total of Tk 10.22 crore, showed the BSEC orders.