



Eid shoppers seem undeterred by the ongoing inflationary pressure as customers are turning up in droves at markets all over Bangladesh. Here, a salesperson is seen showcasing a panjabi to potential buyers at a store on Elephant Road in Dhaka yesterday.

PHOTO: AMRAN HOSSAIN

Eid shopping hits full steam

But elevated inflation, heatwave threatening to dampen businesses' enthusiasm

MAHMUDUL HASAN, SUKANTA HALDER, JAGARAN CHAKMA

It was 11.45 pm on Tuesday. Shopping malls and markets usually remain shut at this hour of the day. But, the bustling shopping district for clothing and lifestyle items in the Mirpur-1 area was abuzz with shoppers.

Some came in droves and they were all in a festive mood, going from one outlet to another to buy their desired clothes and other items to celebrate Eid-ul-Fitr, the biggest religious festival for Muslims and the country's biggest shopping season, which generates half of the total annual sales for apparel sellers.

Habibur Rahman was one of the shoppers. He came with his family.

"No matter what the economic condition is, people buy clothing items on the occasion of Eid. But prices are very high compared to last year. So, I am choosing the items with cheaper rates," said the private sector employee as he browsed through clothing items at an outlet of a lifestyle brand.

Almost at the same time, Shariful Islam was shopping at the Bashundhara City Shopping Mall with a friend. The 40-year-old executive bought two shirts for his six-year-old son,

one shirt for his middle-aged maternal uncle, and one panjabi for a friend.

Apart from these shopping destinations, all other markets in the capital city are registering a higher turnout of Eid shoppers as the country has gravitated towards a holiday mood after the closure of offices for five days from Wednesday.

Many, however, are avoiding daytime when it comes to going to markets amid the heatwave, which has been sweeping across the country for the last several days. Instead, they are choosing evening hours.

Despite the crowd, businesses are not upbeat this year as consumers, particularly low and lower-middle-income groups, are cautious in spending as soaring prices and living costs have squeezed their purchasing capacity. So, many of them, like Rahman, will have to spend on a tight budget.

Sheikh Nafiur Rahman, a private job-holder who lives in Kalabagan, says he could not buy anything for himself as his Eid budget has overshot after purchasing items for his family members and relatives owing to higher prices of products.

And sellers retailing clothes, footwear, gadget and home appliances say they have not

expected good sales this Eid. An elevated level of inflation for nearly one year has been the main factor.

In March, consumer prices jumped to a seven-month high of 9.33 per cent following 8.78 per cent in February.

The fire incidents at

more restrained in shopping. They are preserving cash and limiting the purchase of discretionary FMCG items as much as possible. Wherever they do decide to make purchases, they are opting for smaller sized packs or lower-priced options."

Shoriful Islam, assistant

festival as well. The company has focused on casual dresses rather than selling panjabi.

Abu Obayed Rony, owner of Fire Fashion, a retailer of readymade clothes in Noorjahan Super Market, opposite to Dhaka College, says sales have decreased by 10 per cent this year compared to last year.

Sales at Old Dhaka's Islampur, one of the biggest wholesale clothing hubs in the country, have also been affected.

"Sales are down 20 per cent," said Nesar Uddin Mollah, general secretary of the Islampur Cloth Merchant Association.

However, sales of footwear may grow 4-5 per cent this year from the previous year, according to Arfanul Hoque, head of retail at Bata, one of the top footwear manufacturers and retailers in Bangladesh.

"But the growth is not impressive at all."

Raihan Kabir, marketing manager and e-commerce lead at Apex Footwear Limited, said the sales of footwear items have not reached their expected level yet.

"Due to the heatwave, customer turnout has been low. Since many people are heading to their village homes, they might carry out shopping in their home towns."

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Bangabazar, one of the major wholesale and retail markets in Dhaka city, later in New Market and Uttara, have had a dampening effect on Eid sales.

"This year we have seen a very typical season across mass consumers thus far, as we see significantly lower footfalls in the markets than any other Eid," said Zaved Akhtar, chief executive officer of Unilever Bangladesh, one of the largest fast-moving consumer goods companies in the country.

"People are being value-conscious and therefore, are

general manager for marketing at Grameen Uniqlo, said the post-Covid and the Russia-Ukraine war have led to an economic crisis.

"People are focusing more on buying essential products. As a result, the interest in fashion products has waned. So, the response of customers this year is less than in last year."

The buying mood has prompted Grameen Uniqlo to change its strategy. The design has been done in a way so that customers can keep wearing the clothing items after the

Landline use down drastically

Popularity of mobile phones behind the fall

MAHMUDUL HASAN

The number of public switched telephone network (PSTN) users has decreased over the past decade, falling below half a million as mobile phones have become ubiquitous while landline operators failed to expand network coverage.

Besides, mobile phones offer greater convenience and flexibility as they allow people to make calls, send messages and access the internet from anywhere at a lower cost.

Since 2018, the state-owned Bangladesh Telecommunications Company Limited (BTCL) has been the lone operator of PSTN, which connects users with fixed telephone lines.

The total number of telephone customers of BTCL, almost all of which use the PSTN service, stood at 4.66 lakh as of January 2023, down from 4.80 lakh a year earlier.

Since 2018, the state-owned Bangladesh Telecommunications Company Limited (BTCL) has been the lone operator of PSTN, which connects users with fixed telephone lines

In September 2014, the BTCL alone had 8.35 lakh customers, according to data from the Bangladesh Telecommunication Regulatory Commission (BTRC).

At the time, there were other three private PSTN operators, namely Ranks Telecom with 2.54 lakh customers, Bangla Phone Ltd with 5,450 customers and WorldTel with 8,950 customers, taking the total number of PSTN users to 11 lakh.

But after that, the number of customers of PSTN operators started to decrease because people already preferred cell phones.

"As mobile phone penetration increased thanks to its user-friendliness, people started to discontinue landlines," said TIM Nurul Kabir, a telecom and technology expert.

"It was the root cause of the failure of PSTN operators," he added.

Industry people say the PSTN service, for which the government awarded licences to private entities in fiscal 2004-2005, had never become popular as the demand for mobile phones was gaining momentum at the time.

In order to provide voice and internet services to the doorstep of common people, 15 institutions

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STOCKS			WEEK-ON WEEK
	DSEX ▲	CASPI ▲	
	0.22%	0.12%	
	6,228.65	18,353.70	

COMMODITIES		
	Gold ▼	Oil ▼
	\$1,976.00	\$82.97
	(per ounce)	(per barrel)

ASIAN MARKETS				
	MUMBAI	TOKYO	SINGAPORE	SHANGHAI
	▼ 0.24%	▼ 0.18%	▲ 0.44%	▼ 0.68%
	59,585.10	28,606.76	3,370.13	3,324.05

90% RMG factories paid festival bonus so far: BGMEA

STAR BUSINESS REPORT

About 82.19 per cent of garment factories paid partial salaries to their workers for April as of yesterday dispelling worries that many factories might fail to clear payments before Eid-ul-Fitr, according to data from the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

Ninety per cent of factories have already paid the festival bonus and 98.84 per cent have cleared the salary for March, said BGMEA President Faruque Hassan.

"Initially, it was thought that many factories will face challenges in paying their workers on time as factories have had fewer work orders from international clothing retailers and brands because of the severe fallout of the Russia-Ukraine war."

"The salary payments situation is good."

He admitted that a few factories were in trouble but the problem has been resolved in discussions with banks, which have approved loans in a short time to help pay workers.

Hassan thinks all factories may complete the payments of salaries and bonuses by today or tomorrow as many factories will continue their operations even on Friday in order to ship goods to their buyers on time.

Some factories have paid salaries for 10 to 15 days of April, he said.

According to data from the Industrial Police, 1,026 out of 1,631 BGMEA member factories, or 62.91 per cent of the total, paid the festival bonus as of yesterday.

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BGMEA President Faruque Hassan yesterday said 90 per cent of the garment factories have already paid the festival bonus and 98.84 per cent have cleared the salary for March.

PHOTO: STAR/FILE

BANGABAZAR FIRE MCCI donates Tk 1.42cr to traders

STAR BUSINESS REPORT

The Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI) yesterday gave away Tk 1.42 crore among 142 small traders whose businesses in the capital's Bangabazar have been severely affected by a devastating fire on April 4.

Each businessman received Tk 1 lakh. MCCI President Md Saiful Islam handed over the cheques to the affected traders at an event held at the chamber office in the capital.

Md Helal Uddin, president of the Bangladesh Dokan Malik Samity, a platform for shop owners, was present at the event.

The Society for National Charity (SNC), a social organisation, has helped identify the severely impacted traders.

At the ceremony, Islam urged businessmen to be more responsible and compliant to avert any devastating fire incident.

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