

Biden says Republican debt ceiling demands 'unacceptable'

AFP, Washington

President Joe Biden on Sunday slammed Republican demands in negotiations to resolve the US debt ceiling standoff as "unacceptable" but said a solution can still be found before a disastrous default. Speaking at a press conference just before leaving to return to Washington from the G7 summit in Hiroshima, Japan, Biden said Republicans' latest demands for spending cuts as a condition for raising the US government borrowing authority were "frankly unacceptable." "It's time for the other side to move from their extreme positions," he said.

Biden said he would talk directly with Republican House Speaker Kevin McCarthy during his Air Force One flight on Sunday back to Washington and said "we can reach an agreement." However,

The Treasury Department says that the government could run out of money and default on its \$31 trillion debt as early as June 1 if Congress does not authorise more borrowing

he cautioned that he could not "guarantee that they wouldn't force a default by doing something outrageous." Biden said that he was looking into an obscure constitutional clause in the 14th Amendment, which states that the validity of public debt "shall not be questioned" -- and potentially authorizing the president to circumvent Congress and raise the debt ceiling himself.

"I think we have the authority. The question is could it be done and invoked in time," he said, noting the likelihood of legal challenges to this and the rapidly approaching debt deadline.

The Treasury Department says that the government could run out of money and default on its \$31 trillion debt as early as June 1 if Congress, where Republicans control the House of Representatives, does not authorize more borrowing.

Biden had planned to travel from Japan to Papua New Guinea and Australia but cut short the Asia trip due to the debt talks.



Workers at a farm in the Ambikapur area of Faridpur sadar upazila are seen processing onion seeds for sale in local markets. Growers are registering bumper yields this year and hope to secure equally adequate prices following poor production in 2022. PHOTO: SUZIT KUMAR DAS

Onion seed growers enjoying bumper yields

SUZIT KUMAR DAS

Onion seed farmers in Faridpur, a major growing district in southern Bangladesh, are enjoying bumper yields this year as the weather was favourable during cultivation, according to market players.

This comes as a welcome development following poor harvests last season, when much of the crop was damaged by bad weather and pest infestations.

Sources at the Department of Agricultural Extension (DAE) in Faridpur say 1,867 hectares of land were brought under onion seed cultivation this year with an expected yield of 747 tonnes.

In 2022, a total of 1,714 hectares of land were cultivated to produce just 258 tonnes of the crop.

During a recent visit to the Ambikapur area of Faridpur sadar upazila, this correspondent found that onion seed growers are busy preparing their harvest for sale.

Shahida Begum, one of the biggest onion seed farmers in Bangladesh, said she cultivated the crop on 15 acres in Faridpur, five acres in Dinajpur and 45 acres in Thakurgaon for about Tk 1.75 lakh per acre.

As such, she expects a total yield of about 20 tonnes this year.

Other than poor yields, farmers failed to get good prices last year as cheaper varieties of



onion seed were imported from India to make up for the lack of local production.

Besides, growers alleged that for every two tonnes of onion seed imported through formal channels, another three tonnes were brought in illegally, keeping market prices low amid increased availability.

"But I think we will get good prices this year as local production is adequate," Shahida added.

Md Julhas Khan, an onion seed grower of Krishanapur village under Faridpur sadar upazila, said he cultivated eight acres this

year at a cost of Tk 13 lakh with the hope of getting 40 maunds of onion seed.

"I had invested Tk 14 lakh last year to grow onion seeds but could not sell more than Tk 7 lakh worth of the crop as production was very low due to bad weather while Indian seeds were available at very low prices," he added.

Similarly, Nayan Mia, another onion seed farmer of the same village, said he spent Tk 3 lakh to cultivate five bighas in 2022 to get just Tk 1.35 lakh in return.

So, he reduced the acreage to only two bighas this year but got a bumper yield of 300

kilogrammes.

"We will get good prices this year if Indian seeds do not enter local markets," he added.

Md Ishaque Mollah, an onion seed grower of Vayardanga village under Bhanga upazila, said he cultivated 15 acres of land this year for Tk 25 lakh, of which Tk 10 lakh was borrowed.

"I hope to get at least 45 maunds of onion seed to make up for last year's loss," he added.

Chan Mollah, another local farmer, said onion seed cultivation is more expensive compared to other crops and so, small farmers like him may discontinue production should they fail to secure good prices this time around.

Md Harun, an onion seed grower of the same area, said farmers are often deprived of adequate prices for having to sell their crops to middlemen in absence of proper marketing.

Mostafa Biswas, another local farmer, said they would not face such problems if the government avoids buying onion seed from abroad.

Md Ziyaul Haque, deputy director of the Faridpur DAE, said they have been working to raise awareness among farmers to purchase seeds from local producers rather than seek foreign sources.

"Onion farmers will get good yields this year due to favourable weather and hopefully, prices will be good also," he added.

Stocks break three-day gaining streak

STAR BUSINESS REPORT

The key index of the Dhaka Stock Exchange (DSE) snapped its three-day rising streak yesterday as most shares either declined or did not see any change.

The DSEX edged down 8 points, or 0.14 per cent, to close at 6,281.

The DS30, the blue-chip index, dipped 0.19 per cent to 2,190 while the DSES, the Shariah-compliant index, went down 0.14 per cent to 1,366.

Turnover, a key indicator of the market, dropped 12.9 per cent to Tk 811 crore. Of the securities, 65 advanced, 104 declined and 192 did not show any price movement.

Risk-averse investors went for a quick profit-booking sell-offs of their holdings that appreciated recently, said International Leasing Securities in its market review

The benchmark index of the country's premier bourse plunged into the red after breaking a three-day gaining streak as risk-averse investors went for a quick profit-booking sell-offs of their holdings that appreciated recently, said International Leasing Securities Ltd in its daily market review.

It said though the market started the session on a positive note, it reverted to the red after the mid-session while observing heavy sell-offs.

Among the sectors, general insurance gained 0.7 per cent, jute advanced 0.5 per cent and mutual fund rose 0.2 per cent. The travel sector slipped 4.7 per cent, the IT sector was down 1.8 per cent, and the services sector shed 1.3 per cent.

The brokerage house said the jittery investors liquidated their investments in the travel, IT, services and paper sectors.



PHOTO: AI-GENERATED IMAGE

Of the individual companies, Bangladesh General Insurance Company made the highest gain with an increase of 9.96 per cent.

Trust Islami Life Insurance, CAPM IBBL Islamic Mutual Fund, Emerald Oil Industries, and Global Insurance Company were among the top gainers.

Miracle Industries was the biggest loser, shedding 6.6 per cent.

Sea Pearl Beach Resort & Spa, Chartered Life Insurance Company, Pragati Life Insurance, and Far Chemical Industries were also on the list of significant losers.

Bangladesh Shipping Corporation was the most-traded stock on the day with its issues worth Tk 58 crore transacting.

Rupali Life Insurance Company, Intraco Refueling Station, Chartered Life Insurance Company, and Orion Infusion witnessed significant turnover as well.

The Caspi, the all-share price index of the Chittagong Stock Exchange, lost 10 points, or 0.05 per cent, to close the day at 18,519.

Of the issues, 58 rose, 67 retreated and 94 did not see any price swing. However, the turnover of the port city bourse rose 33 per cent to Tk 16.98 crore.

Global sugar prices may go up as Indian output drops

ANN/THE STRAITS TIMES

Sugar prices across the world could soar further due to a decline in production in India -- the commodity's largest producer -- and export restrictions imposed by the government.

Global prices have already been rallying near their highest level in more than a decade, with a pound of raw sugar currently trading at nearly 26 US cents, up from around 17 US cents in May 2013.

The Indian government has capped exports for the ongoing sugar production cycle, which runs from October to September each year, at 6.1 million tonnes.

Trade analysts The Straits Times spoke with said a second tranche of exports for the current cycle is unlikely.

"If any new permission for exports is granted, that will be in December 2023 after factoring in primary production estimates for the new season from October 2023 to September 2024," said Mr Praful Jagivandas Vithalani, the All India Sugar Trade Association's founder chairman.

According to the association, 5.7 million tonnes of the permitted quota have already been exported, with the remainder expected to be shipped out by May 25.

The anticipated restriction on exports once the cap has been reached implies further Indian shipments will be sent out only in 2024, with this absence of a key supplier in the global market coming at a time when production has also declined in countries such as China and Thailand.

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A man unloads sugarcane from a truck outside a market in Navi Mumbai on May 6. India exported a record 11.2 million tonnes of sugar during the 2021-22 season, with consignments sent to countries like Indonesia, Malaysia, Bangladesh, Sudan, Somalia and the UAE. PHOTO: AFP

UCB, IFIC get nod to issue stock dividend

STAR BUSINESS REPORT

United Commercial Bank Ltd and IFIC Bank PLC have received consent from the Bangladesh Securities and Exchange Commission (BSEC) to declare stock dividends for the year that ended on December 31.

In a post on the Dhaka Stock Exchange yesterday, UCB said the commission has accorded its consent for the bank's declaration of 5 per cent stock dividend for 2022.

In another filing, IFIC said it has received permission from the regulator to raise its paid-up capital by issuing a 2.50 per cent stock dividend for the last financial year.

Paid-up capital is the amount of money a company has received from shareholders in exchange for shares of stock.