



PHOTO: ISLAMI BANK BANGLADESH

Md Nazmul Hassan, chairman of Islami Bank Bangladesh, presided over a meeting of the board of directors of the bank virtually held recently. Among others, Yousif Abdullah Al-Rajhi and Tanveer Ahmad, vice-chairmen, Areef Suleman, representative of Islamic Development Bank, Mohammed Monirul Moula, managing director, and JQM Habibullah, additional managing director, attended the meeting.



PHOTO: PARTEX STAR GROUP

Muhammad Anisuzzaman Talukder, director of the research and innovation centre for science and engineering (RISE) at the Bangladesh University of Engineering and Technology (Buet), and Amman Al Aziz, group executive director of Partex Star Group, exchanged signed documents of a memorandum of understanding on sustainable, quality, and cost-effective innovation and research at the Buet campus in Dhaka recently.

Partex Star Group, Buet ink MoU

STAR BUSINESS DESK

Partex Star Group recently signed a memorandum of understanding (MoU) with the Bangladesh University of Engineering and Technology (Buet).

Muhammad Anisuzzaman Talukder, director of the research and innovation centre for science and engineering (RISE) at the Buet, and Amman Al Aziz, Group executive director of Partex Star Group, signed the MoU at the Buet campus in Dhaka, said a press release.

Under the MoU, Partex Star Group will work with Buet's RISE to conduct sustainable, quality and cost-effective innovation and research on its various products.

The group, particularly in Bangladesh, aims to explore alternative sources of raw materials and improve product quality, including the development of energy-saving manufacturing products in industries such as particle board, cables, gypsum, furniture, adhesives, builders, agro, home care, logistics, and garments.

"Under the deal, Partex Star Group will provide Buet's expert team with the necessary infrastructure and facilities for their research. Furthermore, internship and job opportunities will be available for Buet students at Partex Star Group," said Aziz.



PHOTO: PRIME BANK

Mamur Ahmed, head of consumer sales of Prime Bank, and Basher A Khan, executive director of Concorde Garments Group, exchanged signed documents of an agreement on payroll accounts at the latter's head office at Karwan Bazar in Dhaka recently. Faisal Rahman, additional managing director of the bank, and Ahmed Kamal Khan Chowdhury, finance director of the group, along with other high officials from both the organisations were present.



PHOTO: PRAN-RFL GROUP

Atiqul Islam, mayor of Dhaka North City Corporation, inaugurated a campaign styled "Let's Save the Planet" organised by Pran-RFL Group to remove plastic waste from 24 districts, including Dhaka, Gazipur, Chattogram, Rajshahi, Khulna, Barishal, Habiganj, Narayanganj, Narsingdi and Cox's Bazar to protect the environment at the Hatirjheel Amphitheatre in the capital on Friday. Eleash Mridha, managing director of Pran Group, Kamruzzaman Kamal, marketing director of Pran-RFL Group, and Kamrul Hasan, executive director of TEL Plastics, were present.

India's forex reserves fall

REUTERS, MUMBAI

India's foreign exchange reserves fell for a second consecutive week and stood at a one-month low of \$589.14 billion as of May 26, the Reserve Bank of India's (RBI) data showed on Friday.

That was a decrease of \$4.34 billion from the previous week.

Reserves had fallen by \$6.05 billion in the week ended May 19, the biggest fall in more than three months. The central bank intervenes in the spot and forwards markets to prevent runaway moves in the rupee.



PHOTO: MIDLAND BANK

Md Ahsan-uz Zaman, managing director of Midland Bank, inaugurates a Shahjalal Avenue sub-branch of the bank in Uttara (Ward No-1, Sector-6), Dhaka recently. Among others, Md Zahid Hossain, deputy managing director, Mohammad Nuruzzaman, head of Shahjalal Avenue sub-branch, Md Rashed Akter, head of retail distributions, and Md Ibrahim Khalil, area head and head of Uttara branch, were present.



PHOTO: UNION BANK

Md Nazrul Islam, deputy managing director of Union Bank, inaugurated an Aganagar sub-branch of the bank in Keraniganj from the bank's head office in Gulshan, Dhaka yesterday. Shafiuddin Ahmed, deputy managing director of the bank, Mohammad Rofique, former cricketer of Bangladesh national cricket team, and Mahmudul Alam and Asad Hossain Titu, local businesspeople, were present.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (JUNE 3, 2023)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 60-Tk 75	0	2.27 ↑
Coarse rice (kg)	Tk 48-Tk 50	2.08 ↑	-2.00 ↓
Loose flour (kg)	Tk 52-Tk 58	2.65	14.58 ↑
Lentil (kg)	Tk 90-Tk 100	0	-11.63 ↓
Soybean (litre)	Tk 175-Tk 185	4.96 ↑	-3.23 ↓
Potato (kg)	Tk 36-Tk 40	16.92 ↑	68.89 ↑
Onion (kg)	Tk 70-Tk 80	47.62 ↑	106.67 ↑
Egg (4 pcs)	Tk 45-Tk 50	3.26 ↑	15.85 ↑

SOURCE: TCB

Nagad welcomes rise in social safety net allocation

STAR BUSINESS DESK

Mobile financial service provider Nagad has welcomed a government move in the budget for fiscal year 2023-24 to increase the social safety net allocation.

Finance Minister AHM Mustafa Kamal proposed a budgetary allocation of Tk 1,26,272 crore for social security programmes, which is a little over 11 per cent higher than the current fiscal year's Tk 1,13,576 crore.

The allocation is 16.58 per cent of the budget and 2.52 per cent of gross domestic product, said a press release.

The finance minister has also proposed increasing the number of beneficiaries by over 8.5 lakh, which is a very timely move to give a breathing space to the financially insolvent who are grappling with the rising costs of daily necessities.

He has also proposed that monthly allowances be raised by Tk 50 to Tk 200 in different categories of safety net allowances, read the budget documents.

"This timely move will give poor people some relief during this tough time. Digital disbursements of such funds are done promptly while ensuring transparency," said Tanvir A Mishuk, founder and managing director of Nagad.

"From the beginning Nagad had been the first choice for the government in disbursing government allowances, education stipends and other cash aid as we ensured transparency by plugging all anomalies," he added.

AFP, Washington

Hiring in the United States heated up again in May, according to government data released Friday, with the strong labor market defying expectations of a slowdown amid efforts to cool the world's biggest economy.

The jobs market has been surprisingly robust even as regulators have worked to ease demand and tamp down inflation, with the central bank lifting interest rates 10 times since early last year.

While the expectation has been that higher rates will slow the economy, with elevated borrowing costs making it pricier to borrow

funds for major purchases or business expansion, the latest numbers could prove challenging for policymakers mulling a pause in rate hikes.

The United States added 339,000 jobs last month, surpassing estimates and picking up from a revised 294,000 figure in April, the Labor Department said Friday.

The jobless rate ticked up to 3.7 per cent, rising from a historically low level of 3.4 per cent.

But in a more welcome sign, wage gains moderated slightly with average hourly earnings up by 0.3 per cent, slightly down from 0.4 per cent in April, the report said.

"Today is a good day for the

American economy and American workers," President Joe Biden said in a statement.

He added that the jobless rate has been below four percent for 16 straight months, noting the long stretch of low unemployment.

"The data show that job growth is continuing at a rapid pace, but wage pressures are not building," said Rubeela Farooqi, chief US economist at High Frequency Economics.

Compared with a year ago, average hourly earnings were up 4.3 per cent, said the Labor Department.

Although hiring and unemployment both rose in the latest report, analysts said that the

pick up in the jobless rate was not due to an increase in the labor force participation rate.

The difference comes as the Labor Department uses two separate surveys each month to compile its "employment situation summary" -- with the unemployment rate calculated from a household survey and job gains or losses coming from an establishment survey.

"The two surveys can diverge quite substantially but over time they tend to signal the same thing," Farooqi told AFP.

Nationwide chief economist Kathy Bostjancic added that "looking at a three-month moving average of both shows less of a gap."

Sectors that saw job gains last month included professional and business services, health care and construction, said the Labor Department report.

But although the employment numbers were well above what analysts expected, Farooqi believes the wage data could still give the Federal Reserve room to hold policy steady.

Fed policymakers are set to convene in mid-June, and some senior central bank officials have indicated this week that they might support skipping a further hike at their upcoming meeting.

A key factor is that officials are eyeing the lagged effects of existing rate hikes as they ripple through the economy while deciding if more action is needed.

A particular area of concern is that strong demand for workers and continued wage growth could feed into inflation. But if wage gains are not rising, this could ease pressure on policymakers.

"Several Federal Reserve officials have signaled that they are likely to hold rates steady at their upcoming June meeting but are unlikely to reduce rates anytime soon," said Mike Fratantoni, chief economist of the Mortgage Bankers Association.

US hiring heats up in May



A customer walks by a "now hiring" sign posted in front of a Ross Dress For Less store on April 07 in Novato, California. Private sector employment in the US eased in May according to data from payroll firm ADP released on June 1, but slowed less than anticipated despite efforts to cool the economy.

PHOTO: AFP

Digital bank

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Fraudulent activities can be tackled largely when an AI-based credit rating system is introduced, said Rahman, also a former chairman of the Association of Bankers, Bangladesh, a platform for managing directors of banks in Bangladesh.

Banks will have to create a database of their clients to operate their credit scoring system, which will bring positive changes in the banking system, he said.

The government should have taken a detailed roadmap in the proposed budget on how to recover non-performing loans (NPLs) from the wilful defaulters and strengthen corporate governance in the banking sector, he added.

"It is important to have definition explaining who the wilful defaulters are," said Rahman, who joined the MTB in December 2019.

Although the finance minister in the budget speech stated that measures would be taken to reduce defaulted loans, a clear programme should be rolled out to this end, said Rahman.

The NPLs in the banking sector stood at Tk 131,621 crore as of March 31, up 9 per cent from three months ago and 16 per cent from a year earlier, showed data from Bangladesh Bank.

Commercial banks have been requesting the government for long to reduce the existing high corporate tax rate of 37.5 per cent as it has created a burden on them, said Rahman, who also served Dhaka Bank and Brac Bank as a managing director.

Besides, taxation on provisioning should be withdrawn, he said.

As per the rules, banks have to pay taxes on provisions, which have to be kept against both classified and unclassified loans.

"I hope that the government will take more initiatives to reduce the current stress in the foreign exchange market by increasing the inflow of US dollars," he said.

Some banks are now unable to open letters of credit in favour of importers, putting an adverse impact on the economy, he said, adding that more initiatives should be taken to address the issue.