

Edison Real Estate teams up with Eastern Bank

STAR BUSINESS DESK

Edison Real Estate Limited has recently signed a memorandum of understanding (MoU) with Eastern Bank Limited.

M Khorshed Anowar, deputy managing director and head of retail and SME banking of the bank, and Masud Alam, additional director of the realtor, inked the MoU at the bank's corporate head office in Dhaka, said a press release.

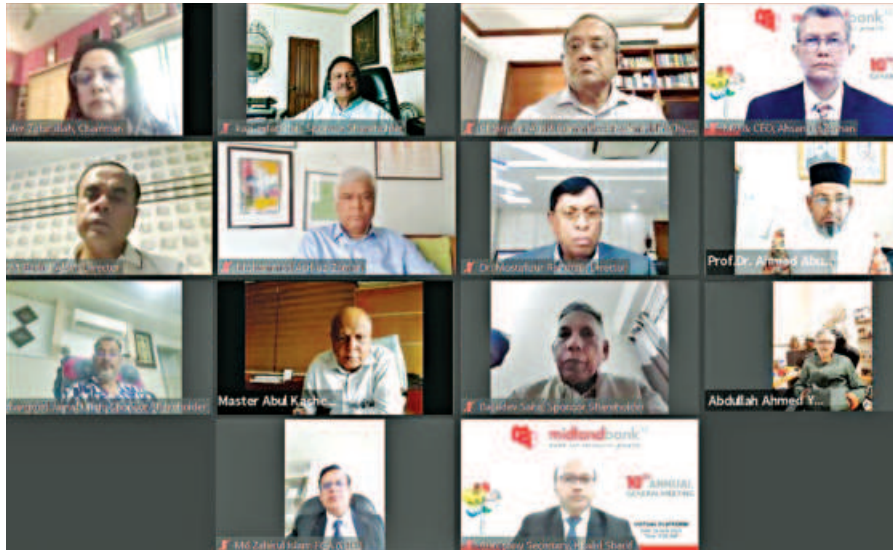
Under the MoU, the bank will offer home loans with attractive rates and benefits to the realtor's customers while the bank's home loan customers will get preferential benefits from Edison to purchase apartments.

Syed Zulkar Nayen, head of business, retail and SME banking of the bank, Mohammed Salekeen Ibrahim, head of asset, Md Zahed Chowdhury, head of retail asset, and Sahedul Karim Munna, additional director, Mohammed Taiabur Rahman, head of marketing, and Sabbir Rahman Sakib, head of finance of the realtor, along with other senior officials of both organisations were present.



M Khorshed Anowar, deputy managing director of Eastern Bank, and Masud Alam, additional director of Edison Real Estate, signed a memorandum of understanding on service benefits at the former's corporate head office in Dhaka recently.

PHOTO: EDISON REAL ESTATE



Nilufer Zafarullah, chairperson of Midland Bank, presides over its 10th annual general meeting virtually held last week. Shareholders approved 5 per cent cash dividend for 2022. Md Ahsan-uz Zaman, managing director, Khalid Mohammad Sharif, company secretary, and Zahirul Islam, chief financial officer, along with directors, independent directors, sponsors, auditors and independent scrutiniser joined the meeting.

PHOTO: MIDLAND BANK



Mohammad Mahtabur Rahman, chairman of NRB Bank, presides over its 10th annual general meeting at the bank's corporate head office in Dhaka last week. Shareholders approved 7 per cent cash dividend for 2022. Among others, Golam Kabir and Mohammed Jamil Iqbal, vice-chairmen, Ali Ahmed, chairman of executive committee, Khandakar Ruhul Amin, chairman of risk management committee, Md Motior Rahman, chairman of audit committee, and Mamoon Mahmood Shah, managing director, attended the meeting.

PHOTO: NRB BANK

India weighs barter trade with Egypt

REUTERS, Cairo/New Delhi

India is weighing a proposal to begin barter trade in goods like fertiliser and gas with Egypt as part of a wider deal that could see New Delhi extending a credit line worth several billion dollars to Cairo, sources told Reuters.

An agreement is likely to be announced later this month during Indian Prime Minister Narendra Modi's first visit to Egypt, which faces a prolonged foreign currency shortage, a source with knowledge of the matter said.

"The agreement would allow Egypt to make purchases in rupees and bartering is being considered as a means to settle this debt through the sale of Egyptian

products that might be of use for India," the source said.

India's foreign ministry is consulting with departments on their appetite for fertiliser and gas from Cairo as part payment for the credit line, an Indian official said.

New Delhi is keen to diversify its fertiliser imports, especially after 2021, when some Indian states faced shortages due to Chinese export restrictions and a record price surge.

As part of the facility, Egypt is keen to take wheat supplies, among other items, but New Delhi is unlikely to ship the grain due to its wheat export ban, the Indian official added.

India, the world's second-largest

wheat producer, banned wheat exports in May 2022 to help control rising domestic prices, rescinding a plan to export 3 million tons of wheat to Egypt in the year 2022/23. Egypt now depends mostly on Russia for the grain.

"It's a negotiation. Which companies will be involved and in which commodities? All of that is still in discussion," Egypt's supply minister Ali Moselhy told Reuters.

"There are a lot of discussions but up until now the model is not defined," said Moselhy, who did not specify the size of a possible credit line.

The other sources from India and Egypt did not wish to be identified as they are not authorised to speak to the

press.

India's external affairs ministry, finance ministry, trade minister, and Egypt's foreign ministry and trade ministry did not immediately respond to requests for comment.

India exported \$4.11 billion of goods to Egypt in the last fiscal year, while importing \$1.95 billion.

Egypt has deferred payments for its large wheat purchases, in some cases by months, due to shortage of funds, Reuters reported last month.

Egypt is trying to stabilise an economy hit by the pandemic and high commodity prices, prompting foreign investors to pull about \$20 billion out of its financial markets.

US business titans flock to China despite fraying ties

AFP, Beijing

From Elon Musk to Bill Gates and Apple's Tim Cook, some of the United States' biggest business titans have headed to Beijing, seemingly defying the barrage of doomsayer narratives around the US-China trade war.

The stream of visits by some of the world's richest men began after China abruptly ended nearly three years of Covid isolation late last year.

In Beijing, the American magnates have talked up their optimism about China's vast market and trade ties between the world's two largest economies.

Landing in China in late May, Tesla owner Musk reportedly said that Beijing and Washington's interests were "intertwined, like conjoined twins, who are inseparable from each other."

Apple CEO Cook also spoke of his firm's "symbiotic" relationship with China -- home to the world's largest iPhone factory.

The biggest honour of all -- a meeting on Friday with Xi Jinping

-- was reserved for Gates, whom the Chinese leader hailed as "our old friend", according to the state-run People's Daily.

The visits come as US-China trade tensions deepen, and after trade between the two countries reached a record \$690.6 billion last year, according to the US Department of Commerce.

But businesses are worried about a slow in US exports to China, America's third-largest trading partner, with the drop strongly felt in the tech industry.

Citing national security concerns, the United States in 2022 blocked exports to China of the most advanced semiconductors and the equipment needed to make them.

China has hit back by vowing to

accelerate its efforts to become self-reliant on semiconductors.

"China-US trade was... once mutually dependent and beneficial," analysts at the Peterson Institute for International Economics wrote in a recent paper. "US exports to China are one more channel through which the bilateral relationship

continues to deteriorate."

The US government is engaged in high-stakes disputes with China over policy issues ranging from Taiwan to human rights, with no sign of tensions abating despite an upcoming visit to Beijing by US Secretary of State Antony Blinken.

US businesses in China have long been at the forefront of advocating for engagement, arguing that a strong economic relationship could spur reform. The visits by the magnates show just how embedded some of the world's biggest firms are in China, despite the political tensions.

With China growing more repressive under Xi, however, long-influential business lobbies are "increasingly a minority voice", according to Joe Mazur, an analyst at Trivium.

"The business community is one of the last remaining pieces of ballast that is stabilising the US-China relationship."

The business community in China will be closely watching Blinken's visit this weekend, which analysts say is unlikely to ease the confrontation.

We want to be number one

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response because of the quality of our products and our services. We do not compromise on quality. At the same time, we offer products at affordable prices."

Alfer thinks there is a lot of opportunity to grow in the AC market in Bangladesh. The market grew 15 per cent in 2022.

Around 550,000 units of ACs are sold in the country every year, and Electro Mart can produce 300,000 units of ACs annually.

"It is no longer a luxury product. It is a necessary product. And it has

become affordable because of the cut in prices thanks to the tax benefit offered by the government."

The market for ACs is expected to grow by up to 25 per cent this year as extended heat waves have fuelled demand.

"We expect the growth to continue in the next five to seven years as the standard of living is improving," said Alfer.

In order to attract customers for its ACs, the company offers a 10-year warranty.

"Our freezers and ACs are energy-efficient and save electricity," he said,

adding that the company ensures quality after-sale services.

The low prices of products mean a lower profit margin for Electro Mart, but Alfer is not unhappy with the lower margin.

"We will continue to offer better products at affordable prices. We are investing continuously and are looking for ways to increase the use of locally available raw materials."

"Going forward, our target is to become the number one retailer in the electronics and home appliance segments. We also plan to export our products to neighbouring countries."

Electrical equipment

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sector having grown by about 20 per cent annually for the past decade.

The demand for such equipment is expected to increase at least until 2041 considering the country's economic development, according to market players.

There are some 31 local companies currently engaged in producing electrical equipment, they said.

More than Tk 3,000 crore has been invested in the sector since the 1990s. However, local manufacturers can only cater to 20 per cent of the domestic demand while the rest is met through imports.

And considering the ongoing US dollar shortage, Alam believes the government should emphasise on producing import substitutes

to relieve pressure on the country's forex reserve.

As such, duty-free benefits for raw materials should be extended to local electrical equipment manufacturers, including export-oriented units.

Alam said they proposed reduced duty structures that would improve the cost competitiveness of locally manufactured electrical products.

"But none of our proposals were accepted, which will certainly push local producers into severe challenges amid multifaceted business rivalries," he added.

Alam suggested reducing import duties for raw materials used in "Made in Bangladesh" products to support the local electrical equipment

industry in serving domestic needs and turn it into a prospective export sector.

He also proposed introducing cash incentives for exports or deemed exports of electrical goods, avoiding double taxation, and extending bonded facilities for the sector.

Deemed exports should be recognised as actual exports in both value-added tax and income tax laws so that they can avail all exports benefits, Alam said.

In addition, Alam urged for reinstating domestic preference in public procurement, and to compel foreign bidders to include local agents when participating in the government's international tenders to facilitate growth of domestic industries.

Power crisis hits

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"Total damage among IPs (industrial parks) in northern Vietnam seems to be an unaccountable amount," he said.

The Southeast Asian nation has struggled with a series of heatwaves since early May when the mercury reached a record high, while rivers and reservoirs at hydroelectric power plants have dried up.

Vietnam relies on hydropower for almost half its energy needs but 11 big plants in the north and central regions have had their power generation severely interrupted in recent weeks.

Two out of three units at one of the biggest in Vietnam, Thac Ba, have stopped functioning.

At the same time, as the use of air conditioners and electric fans surged, there has been "a 20 percent increase in demand on the network", National Load Dispatch Centre deputy director Nguyen Quoc Trung said.

"The power shortage has been and will be intense in the north," until early July, Trung warned at a roundtable discussion in Hanoi late

last week.

Trung's boss, Nguyen Duc Ninh, was suspended Wednesday pending an investigation into the outages.

In the port city of Hai Phong, several associations representing Vietnam's logistics and shipping industries -- which rely on a digital network to coordinate deliveries and need power to operate loading equipment and keep trucks cool -- filed complaints to state electricity company EVN.

For each power cut lasting over six hours, companies may have to compensate waiting vessels, which pay a docking fee of up to \$50,000 and also face fines themselves for a delay in delivery of the goods, the associations said in a public statement.

South Korea -- Vietnam's top foreign investor -- also complained that power cuts two or three times a week "had badly affected production activities".

"The power cut issue will be very serious for not only firms who have already invested in Vietnam, but also for us trying to call for investors to come to Vietnam," Hong Sun,

chairman of the Korean Chamber of Commerce in Vietnam, told AFP.

Other investors agreed that the blackouts -- along with an increasingly dark capital city that has turned off many street lights -- are not a good look for Vietnam.

"We have seen this issue raised both by clients operating in Vietnam and those clients seeking to invest, especially investment in the power sector," said Kevin Hawkins, a partner at DFDL law firm in Ho Chi Minh City who specialises in energy.

"It is concerning and (they) question whether this is a short-term issue or a continuing problem."

A recent government target to reduce energy consumption by two percent per year until 2025 suggests the issue may persist.

Vietnam has also made an ambitious pledge to shift away from coal-fired power by 2050 as part of efforts to counter climate change.

Demand for electricity in fast-growing Vietnam is increasing by more than eight percent per year on average, according to an official statement in early June.

Emirates appoints Jaber as its country manager

STAR BUSINESS DESK

Emirates has appointed Jaber Mohamed as its area manager for Bangladesh, effective from August 1 this year.

Jaber will take on the responsibility of leading the Dubai-based flag carrier's operations, driving growth, and strengthening its footprint in the country, said a press release.

He will replace Mohammed Al Hammadi, who will assume the role of a manager for Iran and Central Asia.

He will report to Ahmed Khoory, senior vice-president of the commercial operations for West Asia and Indian Ocean at the airline.

Jaber joined Emirates in 2010.

He embarked on his career with Emirates in a management training programme, where he served as an outstation manager until 2012.

After that, he served as an area manager for Cyprus, Greece, Uganda, and Taiwan and as a country manager for the Philippines.

Emirates started its operations in Bangladesh in 1986 and currently offers 21 flights a week from Dhaka.



Intel to invest \$4.6b in Poland chip site

AFP, New York

US chip giant Intel will invest up to \$4.6 billion to build a new site in Poland, creating around 2,000 jobs, the company said Friday.

Its new facility, to be located in the southern Polish city of Wroclaw, "will help meet critical demand for assembly and test capacity that Intel anticipates by 2027," Intel said in a statement.

The investment in Poland is aimed at helping the European Union develop a more resilient semiconductor supply chain and reducing dependence on Asia, the statement added.

Polish Prime Minister Mateusz Morawiecki hailed the announcement as an element of "cementing and consolidating transatlantic cooperation" with the US.

"From now on, from this investment by Intel, Poland will be a key part of the not-so-extensive supply system of these most advanced technologies," Morawiecki told reporters in Wroclaw.

Intel is one of the world's leading semiconductor firms, making a wide range of products, including the latest-generation chips.

The EU aims to reclaim 20 per cent of global semiconductor manufacturing capacity by 2030 -- twice its current production -- and has invested billions in Intel's chip facilities in Germany and Ireland.

Intel has said its European sites will help with cost efficiency in the EU's supply chain, and that it plans to produce 80 billion euros worth of chips in Europe over ten years.