

Stocks slide slightly

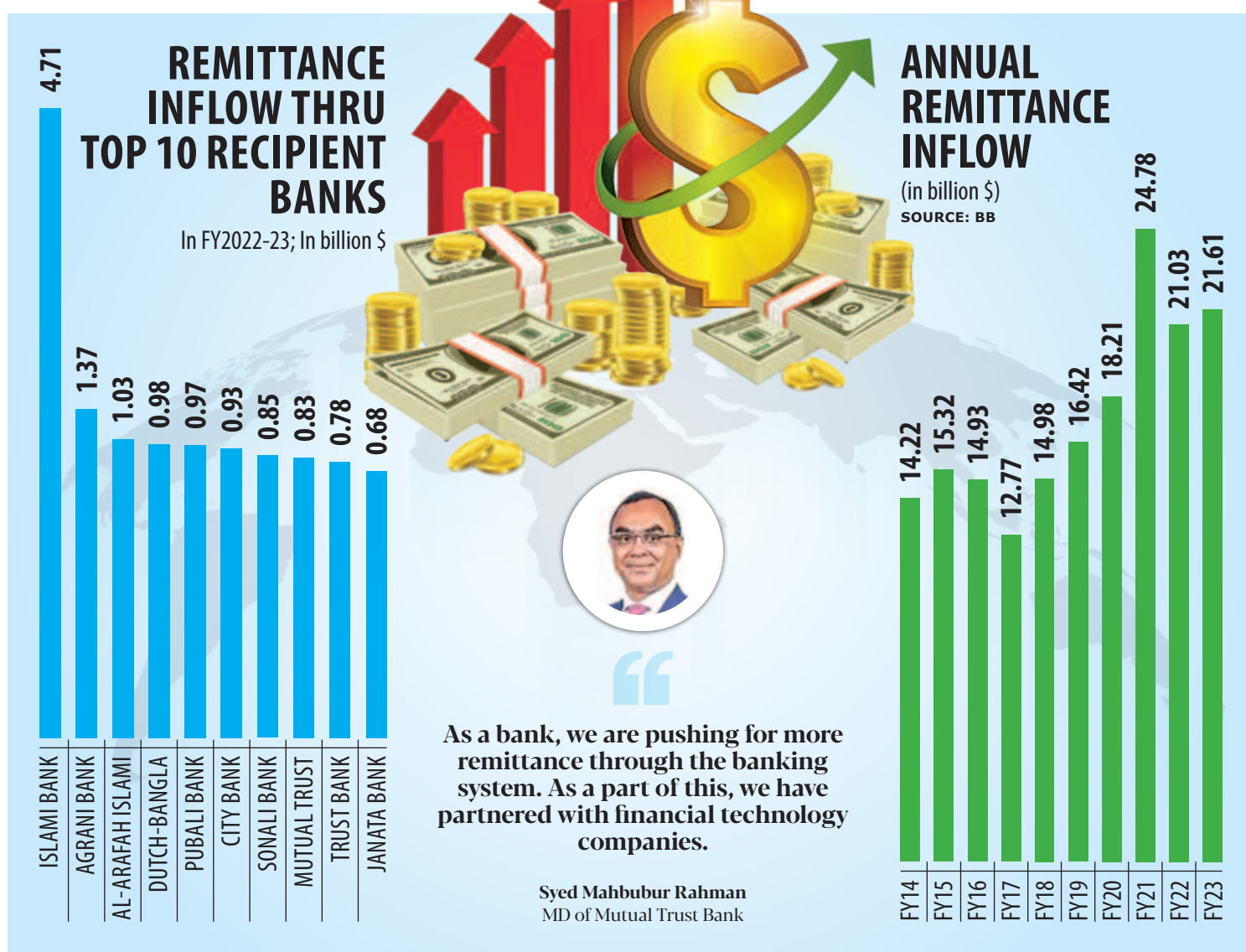
STAR BUSINESS REPORT

The capital market orchestrated an upward movement last week as the benchmark index gained around 16 points due to higher participation of investors after the Eid-U-Azha holidays amid a mix movement of the macroeconomic indicators.

The DSEX, the key index of the Dhaka Stock Exchange, was 0.25 per cent higher at the end of the week, while turnover rose 21 per cent to Tk 717 crore.

Of the major developments in the country's economic indicators, the export sector fetched a record \$55.56 billion in fiscal 2022-23 amid challenging conditions at home and abroad. The receipts are an increase of 6.67 per cent from a year earlier, according to data from the Export Promotion Bureau.

However, the Consumer Price Index rose 9.02 per cent in 2022-23 against the government's revised target of 7.5 per cent. This was the highest average inflation



Corporate victim stigma!

MAHTAB UDDIN AHMED

Incidentally, in the last few months, I had the privilege of spending time with a few top executive-level friends who shared their experiences of being victims of corporate politics. In most cases, their bosses used them as scapegoats to protect themselves.

While each story was unique, they all had one thing in common: they all decided not to fight back for fear of the corporate stigma. If this is the natural instinct of corporate leaders, then imagine what it takes for rape victims to come forward and seek justice. Our society and corporate world are more ruthless to the victims than the criminals!

Watching a movie recently on a rape victim's fear of stigma, I was struck by the similarity between a corporate victim and a rape victim, although the magnitude of rape as a crime is no comparison. But corporate victimisation can also leave one with long-lasting reputational damage that can stunt a corporate career, if not damage it, ultimately.

Regarding workers' rights, Bangladesh has been rated one of the worst consecutively for the last eight years, according to the ITUC Global Rights Index. The principal reason for this is the fear factor among workers - the fear of losing one's job, damage to reputation and career growth, and, most importantly, not getting justice in the end.

It is essential to look at why workers shy away from standing up to injustice in Bangladesh. The reasons include the lack of adequate laws to protect workers and senior executives, the lack of implementation of whatever laws exist and the delay in justice.

Those who dare to resort to legal means for justice often have to wait 10 to 20 years if they are lucky, by which time the corporate criminals leave the organisation and sometimes even the country. In most cases, the battle of the victim is not against the company but the so-called corporate criminals.

Seeking legal justice comes at a price. The victim finds himself/herself cornered, if not ostracised, not only in the corporate circle but also in society. Many are quick to judge and find faults with the victims instead of standing beside them.

Unfortunately, there are no support groups and organisations to lend a hand to corporate victims. And I am sure that none of you, like me, have ever heard of any corporate leader standing up in support of a victim publicly.

According to the Harvard Business Review, millions of people face abusive supervisors and bullies at work. These employees are targets of ridicule, threats, or demeaning comments by their manager regularly, resulting in stress, depleting productivity and commitment to the job and the organisation at large.

In essence, employees start to believe that "this is how it's done around here," and this belief manifests itself in a toxic environment that tolerates abusive acts.

Losing your job due to corporate politics can be a frustrating experience. What is essential is to remember that you are not alone, and there are steps you can take to cope with the situation and move on to a brighter future.

Allow yourself to grieve, talk to someone you trust, and document the situation, which can be helpful if you decide to file a lawsuit against your former employer. Research new career opportunities, actively work on networking with people with a brave front, and demonstrate the "never give up" attitude. Last but not the least, take care of yourself.

Bangladesh has produced many world-class leaders at home and abroad. Protecting Bangladesh's corporate victims would require a collective effort from the government, trade bodies, NGOs or any other forum to ensure that we do not get rated as one of the worst in the world again. Remaining silent means, you are paving the way for others, complying with a negative norm and may become the next victim.

The author is founder and managing director of BuildCon Consultancies Ltd

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IBBL, Agrani, Al-Arafah top remittance recipient banks in FY23

AKANDA MUHAMMAD JAHID

Islami Bank Bangladesh Ltd (IBBL) retained the top spot among the lenders bringing remittance to the country in the just-concluded fiscal year, data from the central bank showed.

Migrant workers sent home \$21.61 billion in 2022-23 through 53 state-owned, private and foreign banks, up from 2.75 per cent a year earlier.

Of the total, 18.13 per cent of remittance came through state-owned commercial and specialised banks and 81.49 per cent via private commercial lenders.

Shariah-based IBBL channelled \$4.71 billion in FY23, the highest among all banks, while state-run Agrani Bank came second by bringing in \$1.32 billion.

Al-Arafah Islami Bank Ltd crossed the \$1 billion mark for the first time in its history, when it comes to channeling remittance. Migrant workers transferred \$1.03 billion through the bank, which placed it in the third position among the lenders.

Expatriates sent more than \$800 million through the bank in FY2021-22, said an official of the bank.

"Our automated banking system, convenient service and agent banking operation with more than 1,000 service points across the country helped us hit the milestone."

Dutch-Bangla Bank and Pubali Bank were in the fourth and fifth positions, channelling \$0.98 billion and \$0.97 billion, respectively.

City Bank's receipts stood at \$0.93 billion while Sonali Bank brought home \$0.85 billion and Mutual Trust Bank channelled \$0.83 billion. Some \$0.78 billion came through Trust Bank and \$0.68 billion via

Janata Bank.

Beneficiaries of remittance in Bangladesh receive a 2.50 per cent cash incentive on top of the market-determined exchange rate for any amount of funds transferred.

In order to boost foreign currency inflows, the Bangladesh Bank has implemented measures to ease fund transfers through internet banking for remittances and removed restrictions.

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The move is aimed at bringing more remittance through official channels as nearly half of the funds sent to Bangladesh by migrant workers are routed via illegal hundi operators since they offer better US dollar rates.

Usually, local beneficiaries receive a 3 to 5 per cent higher rate when remitters send funds through the illegal cross-border money transfer system.

Speaking to The Daily Star, Syed Mahbubur Rahman, managing director of Mutual Trust Bank Ltd, said, "As a bank, we are pushing for more remittance through the banking system."

"As a part of this, we have partnered with

financial technology companies, so the transfer of funds through official channels is going up."

According to the government, more than 10.74 lakh migrant workers went abroad in FY23, the highest in a single year. In 2021-22, some 9.07 lakh Bangladeshis left the country in search of jobs in other countries.

At present, more than 1.49 crore Bangladeshi migrants are working in 176 countries, according to budget documents of the government.

Mutual Trust Bank's Rahman said a sizable number of workers went abroad last year, which will positively impact remittance flow in the coming months.

However, the ongoing recession fears globally as well as higher inflation might have affected the remittance inflows, he said.

"In order to encourage remitters to increase the use of formal platforms, we can pursue both sending and receiving ends persistently."

"Even, we can think of launching some products such as home loans for remitters," he said, adding that various awareness-raising programmes should be rolled out for both expatriates and beneficiaries.

The noted banker also said a market-driven rate of the dollar should be ensured for a sustainable remittance flow.

According to a recent World Bank report, a wide gap in formal and informal exchange rates has been one of the factors behind the sharp fall in the foreign exchange reserves in Bangladesh as it shifts remittances from official channels to unofficial routes.

In Bangladesh, a one-per cent deviation between the formal and informal exchange rate shifts 3.6 per cent of remittances from the formal to the informal sector, it noted.

rate in 12 years, according to the Bangladesh Bureau of Statistics.

Migrant workers sent home \$21.61 billion in remittance in the just-concluded fiscal year which was 2.75 per cent higher than that in the previous fiscal year, according to the Bangladesh Bank data.

The macroeconomic data have put some impact on the stock market, especially on the companies that are export-based, and they fared better during the week, said a top official of a brokerage firm.

However, the DSEX edged down 1 point, or 0.02 per cent, to close at 6,334 yesterday.

The DS30, the blue-chip index, decreased 0.06 per cent to 2,151 while the DSES, the Shariah-compliant index, went up 0.05 per cent to 1,375.

However, turnover, a key indicator of the market, inched up 1 per cent to Tk 899 crore.

Of the securities, 85 advanced, 108 declined and 175 did not show any price movement.

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Dhaka chamber signs deal with DSCC on trade licence renewal

STAR BUSINESS REPORT

Members of the Dhaka Chamber of Commerce and Industry (DCCI) can now enjoy online facilities for renewing the trade licence of their businesses registered with the Dhaka South City Corporation (DSCC).

Besides, their trade licenses will remain valid for a period of one to five years, doing away with the hassle of having to renew them annually.

Effective from July 1, the DSCC and DCCI yesterday signed a memorandum of understanding (MoU) to this end at the latter's office in Motijheel, Dhaka.

After the signing, DSCC Mayor Sheikh Fazle Noor Taposh said they aim to provide extended services to members of the DCCI and thereby improve the ease of doing business in Bangladesh.

"The MoU is a milestone initiative in public private partnerships to steer economic development in the country," he added.

Taposh also said that even though the provision for renewing trade licenses by up to five years exists on paper, there was no practical implementation until now.

He informed that without increasing any of the trade license fees or holding tax, the DSCC made a profit of about Tk 524 crore in the last three years.

The DSCC mayor then inaugurated the online trade license renewal process at DCCI, handing over renewed licenses among DCCI members on the spot.

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CHINA'S METAL EXPORT CURBS

Global companies hunting for stable suppliers

REUTERS

China's decision this week to restrict exports of some strategic metals has prompted more companies to re-think their reliance on the world's No. 2 economy at a time when mounting geopolitical tensions have fed fears that more curbs could be coming.

In a move that a top Chinese trade advisor warned was "just a start," Beijing said on Monday it would limit exports of products made from the minor metals of gallium and germanium to protect national security. That followed the US decision to impose export restrictions to curb China's access to key technologies used for artificial intelligence (AI).

The products China cited are used in semiconductors, defense technology and other high-tech industries. While the chipmaking metals account for relatively modest levels of export, China's move reignited calls across the globe for "de-risking," or finding other countries besides China for processing and sourcing key components used in a wider range of goods such as electric vehicle batteries.

"These actions underscore the need to diversify supply chains," a US Department of Commerce spokesperson

said in a statement. "The United States will engage with our allies and partners to address this and to build resilience in critical supply chains."

In a separate but related industry, China has about one-third of the world's rare earth reserves, key to production

of EV batteries and electronics. It has at least 85 per cent of the world's capacity to process rare earths into material manufacturers can use, a capability other countries want to develop.

"China produces most of these raw materials but I'd argue blocking

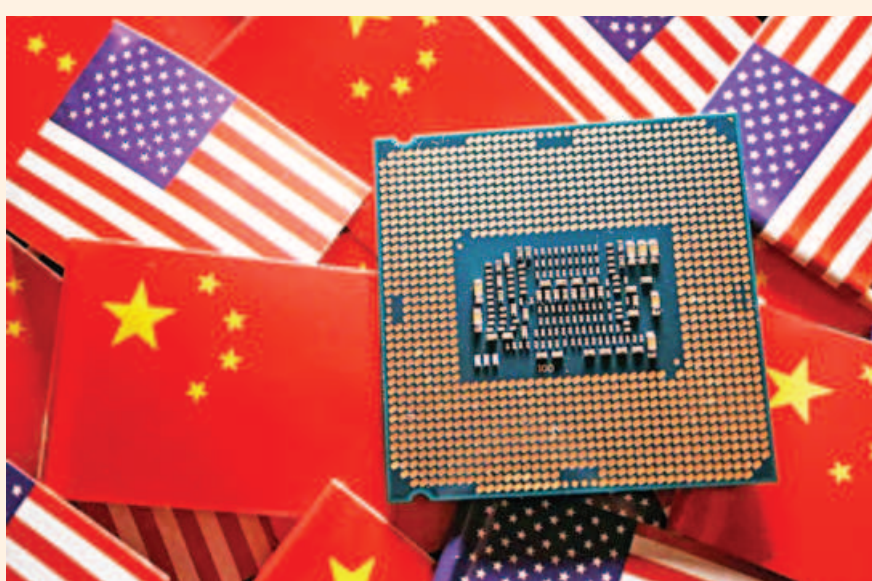
exports would also mean they will lose revenue and force the rest of the world to find alternative sources," said Stewart Randall, who tracks China's semiconductor sector at Shanghai-based consultancy Intralink.

China has been the go-to for companies because it is able to export processed minerals at a lower cost than other countries. If prices rise as restrictions take hold, however, companies would have another reason to shift supply chains.

Netherlands-based Nyrstar, majority owned by trading and logistics company Trafigura, said it was looking at germanium and gallium projects in Australia, Europe and the United States to help ease shortages created by China's curbs.

Sweden's Ericsson said it always aims to have a diversified supplier base and "as a next step we will make an in-depth analysis of the effect of these measures, and the implications on Ericsson."

China's announcement came just ahead of a visit to Beijing by US Treasury Secretary Janet Yellen. The metal curbs are likely to further strain US-China relations as the countries vie for dominance in key sectors of semiconductors and defense technology.



A CPU semiconductor chip is displayed among flags of China and US. PHOTO: REUTERS