

Social Islami Bank holds business conference

STAR BUSINESS DESK

Social Islami Bank organised a daylong half-yearly "Business Conference-2023".

Zafar Alam, managing director and CEO of the bank, inaugurated the conference at the bank's head office in Dhaka yesterday, said a press release.

"The several achievements of the bank during the first half of the year have been possible for the sincere efforts of all despite the overall economic and various global crises," said Alam.

An initiative has been taken to turn the bank into a bank for the people through diversification of its products and services, he said, hoping that this progress will continue to achieve the goal of the bank with the collaborative efforts of all.

Mohammad Forkanullah, deputy managing director, presided over the programme, where Abdul Hannan Khan, deputy managing director, and divisional heads, zonal heads, branch managers and sub-branch in-charges along with around 2,000 employees of the bank virtually joined the programme.

Turkey expects \$10b in Gulf investments

REUTERS, Ankara

Turkey expects Gulf countries to make direct investments of about \$10 billion initially in domestic assets as part of President Tayyip Erdogan's trip to the region in two weeks, according to two senior Turkish officials.

Erdogan is scheduled to visit leaders in Saudi Arabia, Qatar and the United Arab Emirates on July 17-19, in part to drum up foreign funding that would boost Turkey's strained economy after his re-election in May.

The sources, who spoke on condition of anonymity given the talks are private and deals are not yet finalised, said overall investments of up to \$30 billion are expected over a longer period in Turkey's energy, infrastructure and defence sectors.

Direct investments worth about \$10 billion "should come within a short time and this is crucial," said one of the officials. "Expectations are high for the Gulf visit. Some important agreements will be signed."

Canada posts strong job gains

REUTERS, Ottawa

Canada's economy added far more jobs than expected in June, data showed on Friday, a result analysts said probably seals the deal for another Bank of Canada (BoC) interest rate hike next week.

Jobs increased by a net 59,900 in June, the most since January and higher than a forecast gain of 20,000, while the jobless rate rose to 5.4 per cent from 5.2 per cent as more people searched for work, Statistics Canada data showed on Friday.

The unemployment rate in June increased for the second consecutive month and is now at its highest level since February 2022, though still below a pre-pandemic 12-month average, Statscan said.

The June jobs report is the last major economic figure to be released before the BoC's rate announcement on Wednesday.



Zafar Alam, managing director and CEO of Social Islami Bank, attends the bank's half-yearly "Business Conference-2023" at its head office in Dhaka yesterday.

PHOTO: SOCIAL ISLAMI BANK



Mohammed Monirul Moula, managing director of Islami Bank Bangladesh, inaugurates an orientation programme for newly appointed field officers of the bank at the Islami Bank Tower in Dhaka last week. Among others, JQM Habibullah, additional managing director, Mohammed Shabbir and Miftah Uddin, deputy managing directors, Mostafizur Rahman Siddiquee, chief human resources officer, ASM Rezaul Karim, senior executive vice-president, Md Shamsuddoha, M Zubayer Azam Helali and Nazmus Sakib Md Rezaul Rahman, executive vice-presidents, and KM Munirul Alam Al-Mamoon, principal (current charge) of the Islami Bank Training and Research Academy, were present.

PHOTO: ISLAMI BANK BANGLADESH

Oil prices up 3% to 9-week high

REUTERS, New York

Oil prices climbed about 3 per cent to a nine-week high on Friday as supply concerns and technical buying outweighed fears that further interest rate hikes could slow economic growth and reduce demand for oil.

Brent futures rose \$1.95, or 2.6 per cent, to settle at \$78.47 a barrel, while US West Texas Intermediate crude (WTI) rose \$2.06, or 2.9 per cent, to settle at \$73.86.

That was the highest close for Brent since May 1 and WTI since May 24. Both benchmarks ended up about 5 per cent for the week.

"We're knocking on the door of a major breakout to the upside. I think you're seeing some short covering here today ... because a lot of people have been betting on the short side, said Phil Flynn, an analyst at Price Futures Group.

After two months of price consolidation between roughly \$73-77, Brent moved into technically overbought territory for the first time since mid-April.

"The rally over the last week or so ... has been quite strong and backed by momentum - as well as fresh cuts from Saudi Arabia and Russia," said Craig Erlam, a senior market analyst at OANDA.

Top oil exporters Saudi Arabia and Russia announced fresh output cuts this week bringing total reductions by Opec+, the Organization of the Petroleum Exporting Countries (Opec) and its allies, to around 5 million barrels per day (bpd), or about 5 per cent of global oil demand.

"Opec+ production cuts are expected to tighten the market, driving supply deficits in the second half of 2023, supporting higher oil prices," analysts at US financial services company Morningstar said in a note.

Opec will likely maintain an upbeat view on oil demand growth for next year, sources close to Opec said.

Russia's latest pledge to reduce oil exports will not require a similar cut in production, a government source told Reuters.

Oil analytics firm Vortexa said there are currently 10.5 million barrels of Saudi

crude in floating storage off the Egyptian Red Sea port of Ain Sukhna, down by almost half from mid-June.

In the US, energy firms this week added oil and natural gas rigs for the first time in 10 weeks, due to the biggest weekly increase in gas rigs since October 2016, according to energy services firm Baker Hughes Co.

In Norway, Equinor ASA paused production at its Oseberg East oil field in the North Sea due to staffing shortages.

In Mexico, six people were injured after a fire broke out on Friday morning at an offshore platform run by state oil company Pemex in the Gulf of Mexico.

Also supporting crude prices, the US dollar, fell to a two-week low after data showed US job growth was lower than expected but still strong enough to likely lead the US Federal Reserve (Fed) to resume raising interest rates later this month as it has signalled.

A weaker dollar makes crude cheaper for holders of other currencies, which could boost oil demand.

Indo-Bangla trade in rupee

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The reserve has fallen by about 28 per cent in the past one year.

Last month, BB Governor Abdur Rouf Talukder said Bangladesh is looking to carry out trades with India in the rupee up to the level that is covered by the export earnings from the country.

Bangladesh's imports from India far outweigh exports to the country. Its exports stand at \$2 billion against imports of \$18 billion through official channels.

If the trades through the unofficial channel are added, imports would go up to \$27 billion, Talukder had said. "We are trying to execute trades in the Indian currency. This will allow us to minimise exchange rate losses."

According to Islam, the trading in the rupee would ease the doing of business for local traders as they would not need to buy the US dollar.

Bangladesh is not the lone country that is seeking to settle trade in the

rupee.

All the members of the Asian Clearing Union, which includes all South Asian countries as well as Iran and Myanmar, have reached a consensus to settle trade in local currencies, including the rupee, to reduce dependence on the US dollar and the euro, according to a Bloomberg article recently.

And the MCCI chief said a second currency can move freely among the countries under the South Asian Association of Regional Cooperation and can strengthen regional trade.

"In the future, trade with India can go up," he said.

Islam said there are two avenues where local currencies could be employed, thus cutting the dependence on the use US dollar.

India paid Bangladesh more than \$8 billion under its line of credit and many Indian nationals are employed in the country drawing salaries nearly \$5 billion a year in foreign currencies,

he said.

If the payments for the loans and the payments to the Indian nationals may be done in local currencies, it will ease pressure on the reserve, he said.

If the economy of Bangladesh performs strongly and bilateral trade rises, the use of local currencies will go a long way and the new trading arrangement will be sustainable, he said.

Islam said since many countries are trying to move away from the US dollar, Bangladesh may think accordingly and be part of the new world order.

Bangladesh's joining to the bloc named BRICS, which comprises Brazil, Russia, India, China and South Africa, will help the country's trade, he said.

China and India are the two largest trading partners of Bangladesh when it comes to imports.

Islam said the launching of a BRICS currency would also help decrease reliance on the US dollar, he said.

Mayeenuddin elected Brac Bank's vice-chairperson

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Faruq Mayeenuddin, an independent director of Brac Bank Ltd, has been elected as the vice-chairperson of the bank.

Mayeenuddin was serving the bank as the chairman of the board executive committee, said a press release.

He was appointed as an independent director to the board in December 2021.

He is a career banker with over 37 years of experience holding key management positions in different leading private commercial banks of the country.

Mayeenuddin started his professional career with AB Bank Ltd as a probationary officer in 1984.

He previously worked for Trust Bank Ltd, City Bank Ltd, Mercantile Bank Ltd and AB Bank Ltd.

In his career, he held the position of country manager at AB Bank Mumbai office for five years facilitating correspondent and reimbursement banking services to different Bangladeshi banks.

Accelerate rate rises for savers Watchdog asks UK banks

REUTERS, London

British regulator the Financial Conduct Authority (FCA) said on Thursday that banks need to accelerate rate rises for savers, but said it was not up to the watchdog to dictate pricing.

Politicians and consumer campaigners have been under pressure on British lenders to raise rates for savers as fast as they have hiked rates on mortgages, as an intensifying cost of living crisis is particularly acute for poorer households.

The FCA said it had seen signs of progress from lenders and encouraged savers to shop around for better deals. "We now want to see that progress accelerate," the body said in a statement.

Sheldon Mills, FCA executive director for competition, said in a broadcast pooled interview that he believed savers were getting value when taking into account the full range of products available.

"It's not for me to set rates for banks," Mills added, after a meeting with nine lenders, including Britain's 'Big Four' banks - Barclays, HSBC, Lloyds and NatWest.

The watchdog's moderate tone may disappoint critics. Lawmakers on the influential Treasury Select Committee on Monday accused banks of "profiteering" from customer reluctance to switch to products with higher rates.

"While it's welcome to hear the banks recognise further action is required, it's time to see an acceleration in progress," the committee's chair Harriett Baldwin said after the FCA's meeting with banks.



A welder works at a supply and service company in Alberta, Canada.

PHOTO: REUTERS/FILE

Meta's 'friendly' Threads

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However, by hooking up Threads with other social media services like Mastodon, and given the appeal of microblogging to news junkies, politicians and other fans of rhetorical combat, Meta is also courting fresh challenges with Threads and seeking to chart a new path through them.

For starters, the company will not extend its existing fact-checking program to Threads, spokesperson Christine Pai said in an emailed statement on Thursday. This eliminates a distinguishing feature of how Meta has managed misinformation on its other apps.

Pai added that posts on Facebook or Instagram rated as false by fact-checking partners - which include a unit at Reuters - will carry their labels over if posted on Threads too.

Asked by Reuters to explain why it was taking a different approach to misinformation on Threads, Meta declined to answer.

In a New York Times podcast on



Thursday, Adam Mosseri, the head of Instagram, acknowledged that Threads was more "supportive of public discourse" than Meta's other services and therefore more inclined to draw a news-focused crowd, but said the company aimed to focus on lighter subjects like sports, music, fashion and design.

Nevertheless, Meta's ability to

distance itself from controversy was challenged immediately.

Within hours of launch, Threads accounts seen by Reuters were posting about the Illuminati and "billionaire satanists," while other users compared each other to Nazis and battled over everything from gender identity to violence in the West Bank.