





star BUSINESS



Prime Bank



EXPERIENCE
**UNINTERRUPTED
BANKING HOUR**
WITH  **MyPrime**
more to you!



Scan to download!

Bangladesh, Japan to sign partnership deal soon

Tipu Munshi says

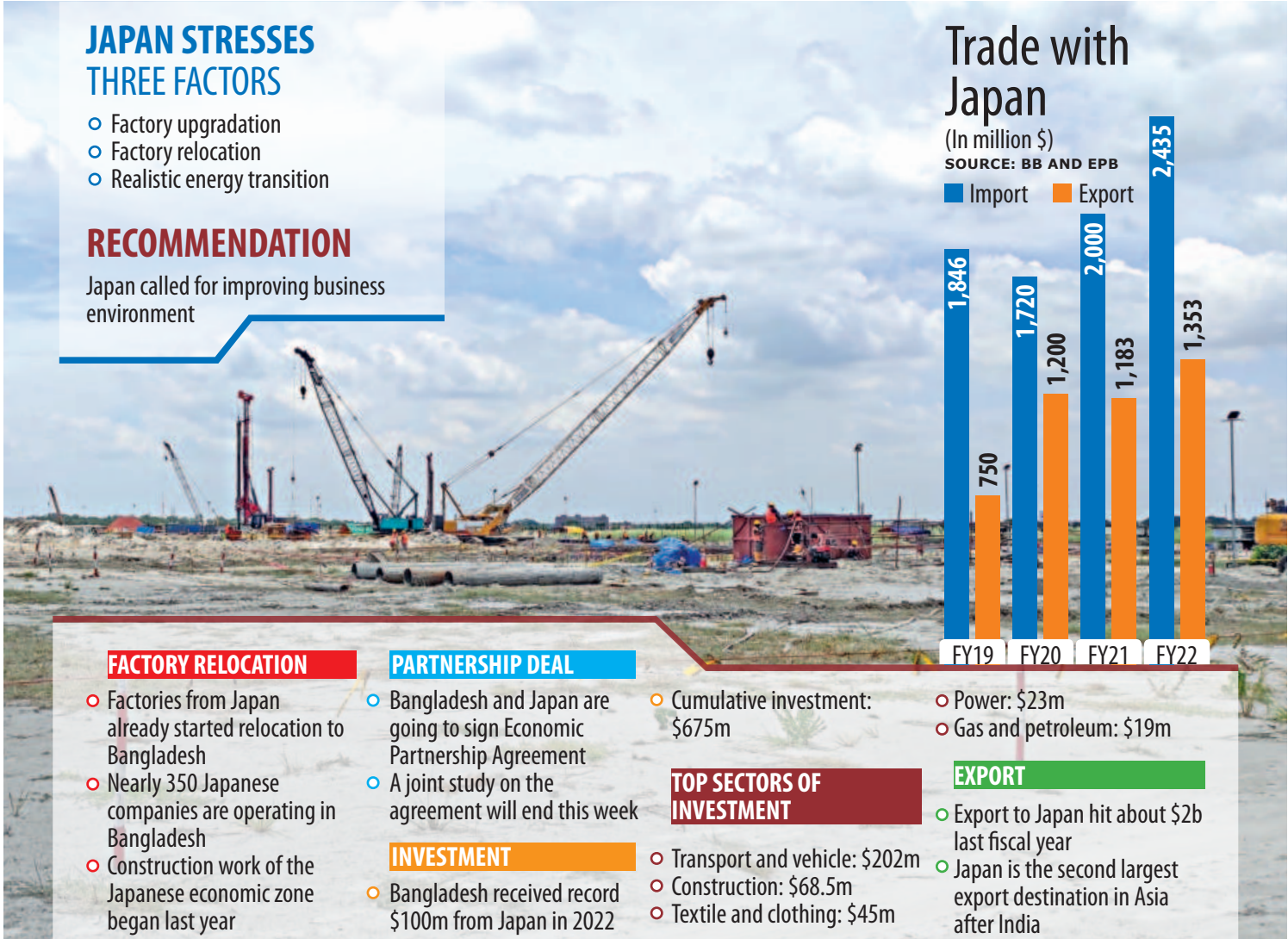
STAR BUSINESS REPORT

Bangladesh and Japan have agreed to sign the economic partnership agreement (EPA) soon to deepen and expand bilateral trade and investment between two nations, the commerce ministry said yesterday.

To take the matter forward, the second round of talks will begin tomorrow in Dhaka and end on the next day, according to the ministry.

“We are working on EPA to take the bilateral relations to new heights. The problems faced by Japanese investors will be solved in the light of EPA. This will accelerate foreign investments and industrial production,” said Commerce Minister Tipu Munshi.

He shared the information after a meeting with visiting Economy, Trade, and Industry Minister of Japan



More Japanese investors to flock to Bangladesh

Says Yasutoshi Nishimura, economy, trade and industry minister of Japan

STAR BUSINESS REPORT

Bangladesh has the potential to attract Japanese companies shifting operations to various parts of Asia, said Yasutoshi Nishimura, economy, trade and industry minister of Japan, yesterday.

He said factory relocation has already started.

Japanese company Honda has opened its factory in Bangladesh and BJIT, an information technology firm, has started production in the country.

“I do expect that more companies will come to Bangladesh,” Nishimura said while speaking at a daylong summit styled “Bangladesh-Japan Economic Relations for the Next 50 Years: for the industry upgradation of Bangladesh” at the Pan Pacific Sonargaon Hotel in Dhaka.

Japan’s relationship with Bangladesh has reached a strategic relationship from the previous comprehensive relationship during a summit in Tokyo in April, the minister said, suggesting improving the business environment for more trade and investment.

The Japan External Trade

Organisation (Jetro), in collaboration with the Bangladesh Investment Development Authority (Bida), the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), the Japan Bangladesh Chamber of Commerce and Industry,

economic growth, which has maintained between 5 per cent and 8 per cent GDP expansion annually over the last many years, saying the country has developed more than they had imagined.

Regarding Bangladesh’s

in Bangladesh.

“Jica is also supporting Bangladesh in the IT sector development,” he said.

The Bangladesh Special Economic Zone, also known as the Japan economic zone, is being developed at Araihaazar in Narayanganj while the Metro rail in Dhaka has already been partially opened to the public.

Currently, nearly 350 Japanese companies are operating in Bangladesh, with more than \$380 million in combined investment.

Of them, 85 per cent want Bangladesh and Japan to sign an Economic Partnership Agreement (EPA) to accelerate trade and investment between the two countries.

In 2022, Bangladesh received more than \$100 million in investment from Japan, a record, as the number of Japanese companies quadrupled in the country over the last one decade, Nishimura said.

In order to strengthen the bilateral relations, both countries are now working to sign the EPA and it is expected that a joint study for the deal will be completed by this week.

READ MORE ON B3

“We are working on EPA to take the bilateral relations to new heights. The problems faced by Japanese investors will be solved in the light of EPA,” said Tipu Munshi

Yasutoshi Nishimura.

They met after the daylong summit on “Bangladesh-Japan economic relations for the next 50 years: for the industry upgradation of Bangladesh”.

The Japan External Trade Organisation (Jetro), Bangladesh Investment Development Authority (Bida), and the FBCCI jointly organised the summit, which took place at Pan Pacific Sonargaon in Dhaka this afternoon.

In April this year, Dhaka and Tokyo signed a memorandum of understanding on the proposed EPA during the visit of Prime Minister Sheikh Hasina to Japan.

Both the countries aim to sign the EPA by the end of 2025 or early 2026 when Bangladesh is expected to graduate to become a developing country.

Bangladesh is showing interest to sign trade

READ MORE ON B3



Umbrella repairmen in Bangladesh are seeing heightened demand amid the return of monsoons. Though they used to earn just Tk 300 to Tk 400 per day in previous months, they are now getting up to Tk 1,500 daily. The picture was taken from Surma Market in Sylhet city recently.

PHOTO: SHEIKH NASIR

Leather value lost for lack of certification

Highlights researcher at seminar

STAR BUSINESS REPORT

Only two companies in Bangladesh have certification of Leather Working Group (LWG), one of the lowest in the world, said a researcher yesterday.

Another firm is undergoing audits for the certification, added the researcher, M Abu Eusuf, executive director of the Research and Policy Integration for Development.

The LWG is a global body for compliance and environmental certification in the leather and leather goods sector. The certificate is mandatory for market access to Europe, the US and some developed Asian countries.



In the absence of the certification, Bangladesh’s leather exporters are having to ship their goods mainly to China at 30 per cent to 40 per cent lower prices, said Eusuf at a seminar in Pan Pacific Sonargaon Dhaka in the capital.

The Asia Foundation and the Bangladesh Labour Foundation jointly organised the seminar styled “Bangladesh Tanneries: Towards Compliance”.

The leather industry of Bangladesh bears considerable growth and investment potential since the raw materials were locally available, Eusuf said in a presentation.

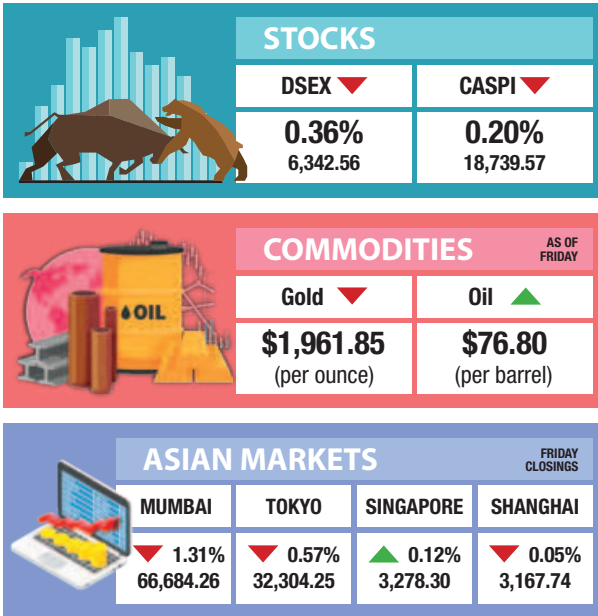
In contrast, 247 firms have certifications in India, 201 in China, 44 in Pakistan, 22 each in Taiwan and Thailand, 18 in South Korea, 17 in Vietnam and 11 in Indonesia.

Besides, there are one each in Malaysia, Saudi Arabia, Singapore and Tajikistan.

So far, 1,858 firms in the world have received LWG certification, according to the LWG website.

The LWG was first formed in 2005 as a collaborative initiative between footwear, apparel and upholstery brands and leather manufacturers,

READ MORE ON B3



Forex reserves slip further

STAR BUSINESS REPORT

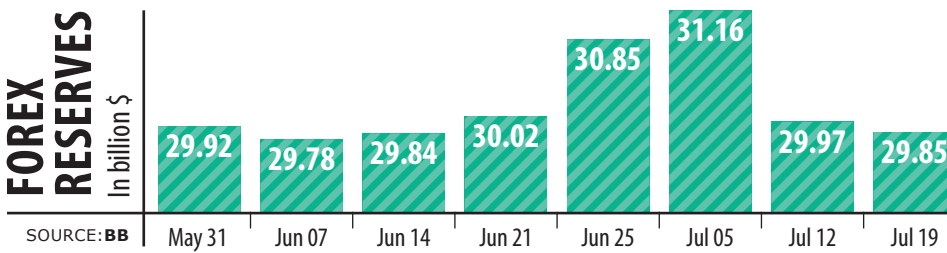
Bangladesh’s foreign currency reserves have slipped further as per the definition of the International Monetary Fund’s (IMF) balance of payments and investment position manual.

The central bank began publishing the gross international reserves (GIR) in line with the manual on July 12 to ensure that the country’s dollar stockpile is reported

rose 6.67 per cent year-on-year to \$55.55 billion in the just-concluded fiscal year, while remittance inflow grew 2.75 per cent to \$21.61 billion.

The change in reporting the reserves comes as part of the conditions agreed with the IMF for the \$4.7 billion loan programme.

As per the conditions for the programme, Bangladesh’s gross foreign currency reserves need to be \$25.32 billion by September 30



accurately. On the day, it stood at \$23.58 billion.

On July 19, the GIR fell to \$23.45 billion, central bank data showed.

The GIR includes gold, cash US dollar, bonds and treasury bills, reserve position at the IMF and special drawing rights holdings, a form of international money created by the lender.

Bangladesh’s reserves have been under strain for months due to higher imports against the lower-than-expected export earnings and remittances.

Earnings from merchandise shipment

and \$26.81 billion by the end of 2023.

It failed to meet June’s reserves floor of \$24.46 billion.

The central bank forecasts that the GIR will stand at \$31.5 billion at the end of the current fiscal year.

It was \$46.39 billion in 2020-21 and \$41.83 billion in 2021-22.

The BB also reported gross foreign assets by adding the Export Development Fund and other foreign assets with the GIR.

It showed the reserves were \$29.85 billion on July 19, down nearly 25 per cent from \$39.69 billion a year earlier.

Pubali Bank holds business confce

STAR BUSINESS DESK

Pubali Bank Ltd recently organised the bank's "2nd Business Conference-2023" for its regional and corporate branch managers.

Monzurur Rahman, chairman of the bank, inaugurated the conference as the chief guest at the bank's head office in Dhaka, said a press release.

Rahman instructed officials to conduct banking following the rules and regulations of Bangladesh Bank.

He asked them to pay special attention to ensure that there is no deviation from the banking policy.

Mohammad Ali, managing director and CEO of the bank, presided over the conference, where Mohammad Esha, Mohammad Shahadat Hossain, Ahmed Enayet Manzur, Md Shahnewaz Khan and Mohammad Anisuzzaman, deputy managing directors, and Md Faizul Hoque Sharif, general manager of general banking and operation division, were present.



Md Mehmood Husain, managing director of National Bank, inaugurates the bank's half-yearly "Business Review Meeting" for branch managers of Rajshahi region at a hotel in Rajshahi city on Saturday.

PHOTO: NATIONAL BANK

SIBL holds town hall meeting

STAR BUSINESS DESK

Social Islami Bank Ltd (SIBL) organised a town hall meeting for branch managers, sub branch in charges and employees of the bank's Chattogram zone in Chattogram on Saturday.

Zafar Alam, managing director and CEO of the bank, inaugurated the meeting as chief guest, said a press release.

"All the business parameters are in the right direction, particularly foreign trade and remittance, showing positive growth despite the global economic slowdown," said Alam. Sayed Md Sohel, head of Chattogram zone of the bank, presided over the meeting, where Mohammad Forkanullah, deputy managing director, was present as special guest.

Among others, Muhammed Mizanul Kabir, head of special asset management division, Md Nasir Uddin Chowdhury, manager of Khatungonj branch, and Md Moniruzzaman, head of marketing and brand communication, were present.



Monzurur Rahman, chairman of Pubali Bank, inaugurates the bank's "2nd Business Conference-2023" for its regional and corporate branch managers at its head office in Dhaka recently.

PHOTO: PUBALI BANK

National Bank organises business review meeting

STAR BUSINESS DESK

National Bank Ltd organised a half-yearly business review meeting for branch managers of Rajshahi region.

Md Mehmood Husain, managing director and CEO of the bank, inaugurated the daylong meeting at a hotel in Rajshahi city on Saturday, said a press release.

Husain provided guidance to the branch managers of National Bank's Rajshahi region on the recovery of overdue loans, deposit mobilisation, loan disbursement, supervision and ensuring the highest level of customer service.

He discussed the bank's business activities and strategic initiatives for overall growth and development.

Among others, Hossain Akhtar Chowdhury, deputy managing director, Sheikh Akhter Uddin Ahmed, head of human resources and senior executive vice-president, Md Rajunur Rashid, regional head and senior vice-president, senior officials of the bank's head office and managers of all branches of Rajshahi region were present.



Zafar Alam, managing director of Social Islami Bank, attends a town hall meeting organised by the bank for its Chattogram zone's branch managers, sub-branch in-charges and employees at the Classic World Convention Hall in Chattogram on Saturday.

PHOTO: SOCIAL ISLAMI BANK

Polling begins for 'airline of the year' award

STAR BUSINESS DESK

Online polling for recognising the best airlines operating in Bangladesh has been launched.

ShareTrip-Monitor Airline of the Year 2023 will recognise airlines for their service excellence in 19 categories.

The only airline reward programme in the country is being organised by the Bangladesh Monitor and supported by online travel agency ShareTrip as the title sponsor.

The programme is also patronised by InterContinental Dhaka, Eastern Bank Ltd, and the global distribution system 'Sabre'.

Any person who has undertaken a minimum of four air trips during

2022-23 will be eligible to join the poll. Votes can be cast online before August 20, 2023, said a press release.

"As in the past, we looked forward to travellers' support in making this programme successful," said Kazi Wahidul Alam, editor of the Bangladesh Monitor.

Results of the poll will be formally announced at a ceremony to be held at the InterContinental Dhaka on September 18, 2023.

A jury comprising representatives from different social, and professional groups will select the winners based on the results of the opinion poll.

The programme was introduced in 2007 and since then, it is being organised on a regular basis.

Threads struggles

FROM PAGE B4

Twitter is thought to have around 200 million regular users but it has suffered repeated technical failures since Tesla tycoon Musk bought the platform last year and sacked much of its staff.

Musk, also the boss of SpaceX, has alienated users by introducing charges for previously free services and allowing banned right-wing accounts back on the platform.

There is little doubt that Threads had a major leg up compared to other wannabe Twitter alternatives.

Several rivals have emerged but most are niche platforms without the capacity to grow at the necessary scale to dethrone Twitter.

But Meta was able to easily prompt Instagram users to start Threads accounts, tapping into a base of at least a billion users at the image-focused social network.

Threads has a lot to prove, and features to add, to become a formidable Twitter alternative, according to Insider Intelligence analyst Jasmine Enberg.

It needs to foster creators to engage users, and to find its own identity separate from Instagram and Twitter, Enberg said.

"Given that Twitter is in a state of disarray, the brilliant move that they did was using the existing social graph from Instagram for rapid and seamless adoption," Owyang said of Threads.

The downside is that's not the user base "that you want to have chats with or to do microblogging," he added.

Instagram users typically engage with the service for images or videos, not commentary or controversy, Owyang noted.

"It is a very different crowd on Instagram," Creative Strategies analyst Carolina Milanesi said of a comparison to Threads.

Twitter is known as a forum for news and politics, topics that Threads has no interest in spotlighting, according to a recent post by Threads and Instagram boss Adam Mosseri.

Citizens Bank aims

FROM PAGE B4

sector for more than three decades, also talked about the interest rate cap on loans imposed by the central bank in April 2020 to lower the cost of funds for businesses.

He thinks the introduction of the Six-Month Moving Average Rate of Treasury bills (SMART) as the reference rate for banks to fix interest rates with a margin of 3 per cent is a good initiative and a step toward making the interest rate market-based.

"Still, it is a cap. But we will gradually move toward market-based interest rates."

He said owing to the interest rate cap at 9 per cent, a number of banks have become over-stressed.

Besides, the flow of loans to micro, small and medium enterprises (MSMEs) was affected as banks could

not impose risk premiums while pricing loans.

"MSMEs are the driving force for the economy of any country. If we want to ensure sustainable growth of the economy, we need to give importance to MSMEs," said Masoom, adding that MSMEs will get priority at Citizens Bank.

The private commercial bank has started lending to MSMEs by offering up to Tk 15 lakh as unsecured loans. "This is just to encourage MSMEs," Masoom said.

Going forward, he wants to make the private bank a highly rated lender in terms of CAMELS rating, which measures the performance of a financial institution based on six criteria: capital adequacy, asset quality, management efficiency, earnings, liquidity and sensitivity to market risk.

Fed may hike interest rates

FROM PAGE B4

This would raise the federal funds rate to a range between 5.25 and 5.5 per cent -- its highest level since 2001.

"If I had to bet, I would bet they would raise the Fed funds rate 25 basis points at the next meeting," Joseph Gagnon, a senior fellow at the Peterson Institute for International Economics (PIIE), told AFP.

"The cooling of the economy is only happening slowly," Bank of America's chief US economist Michael Gapen wrote in a recent investor note.

"We think most committee members believe further rebalancing of supply and demand is needed to ensure disinflation will continue," he added, explaining why he expects another hike on Wednesday.

Futures traders now assign a probability of more than 99 per cent that the Fed will hike its base rate by 25 basis points at its next meeting, according to CME Group.

While a July rate hike is now widely expected, questions remain about how much further the Fed will

need to go this year to bring inflation back down to its long-term target of two per cent.

Since the Fed's decision to pause in June, its favored measure of inflation has slowed to less than four percent year-on-year, while unemployment has remained close to record lows.

Economic growth has also been revised upward significantly for the first quarter on the back of stronger-than-expected consumer spending.

The positive economic news has raised the chances of a so-called soft landing, in which the Fed succeeds in bringing down inflation by raising interest rates while avoiding a recession and a surge in unemployment.

"We see the line between mild recession and soft landing as increasingly fine and view the probabilities of the latter outcome undeniably on the rise," Deutsche Bank economists wrote in a recent note to clients.

Goldman Sachs recently cut its probability of the US economy entering a recession in the next 12

"We will create a noise in the market in the next one year in terms of performance, rating status and CAMELS rating. We strongly believe that you will be able attain desired results if you ensure good governance and manage the balance sheet professionally."

Masoom thinks as Bangladesh is on course to be a developing country in 2026 and aspires to become a higher middle-income country in a decade, it is vital for banks to be on a solid footing.

He said Citizens Bank is learning from the mistakes committed by other lenders.

"We are careful so that the events that took place at other banks don't happen here. We want to work in one area and it is good governance. It has to be practised and ingrained in each employee."

months to 20 per cent from 25 per cent, although it remains slightly above average postwar levels.

"Recent data have reinforced our confidence that bringing inflation down to an acceptable level will not require a recession," the bank's chief economist Jan Hatzius wrote in a note to investors.

At its June meeting, Fed officials indicated that they expect two additional quarter percentage-point hikes will be needed this year to tackle inflation.

With the first interest rate hike widely expected on Wednesday, analysts have turned their attention to what the Fed does next.

Some economists predict another rate hike as soon as the Fed's next rate meeting in September, while others think it could hold rates steady once more.

"My feeling is that, although they're going to move slowly, 25 basis points a meeting or even every other meeting, I don't think they're going to stop," said Joseph Gagnon from PIIE.

7UP launches 'Super Duper Refresher' campaign

STAR BUSINESS DESK

7UP, a drink from PepsiCo, recently launched a new digital campaign titled "Super Duper Refresher" with a TVC featuring brand ambassador Shakib Al Hasan.

The digital campaign opens with Shakib and a group of young players engaged in an intense playoff of gully cricket under the scorching sun and the game comes to a standstill with Shakib and the players feeling the heat.

The young players watch on as Shakib walks up to a nearby shop and opens a 7UP refrigerator and catches everyone's attention with a frost-covered 7UP bottle.

Seeing the team sweat under the sun, Shakib throws some bottles and cans of 7UP their way, and ultimately the whole street holds a bottle of 7UP.

"With this new campaign, we're placing 7UP in the middle of the refreshment narrative. 7UP is not just a refresher - it's the 'Super Duper Refresher' that uplifts you, be it on a hot summer day or at any other moment when you simply need a lift," said Anuj Goyal, associate director for Bangladesh region at PepsiCo.

"It was such a fun experience working on the film, which is a burst of super-duper refreshment and leaves you wanting for more," said Shakib.

"With the new campaign accompanied by the refreshing and youthful packaging, we are elevating refreshment and consumer excitement for 7UP," said Sharfuddin Bhuiyan Shamol, head of marketing of Transcom Beverages Ltd.

Shanta Securities brings trading app for investors

STAR BUSINESS DESK

Shanta Securities Ltd yesterday launched a feature-rich trading app "Shanta EasyTrade".

The user-friendly application empowers both existing and new investors with the ability to conveniently monitor market conditions, compare options, and execute trades from anywhere and at any time, said a press release.

"This innovative trading app represents a significant milestone for us as we strive to offer our valued investors with one-stop financial solutions. With Shanta EasyTrade, we are putting the power of seamless trading in the hands of our clients, enabling them to monitor, analyse, and execute trades with ease," said Quazi Assaduzzaman, chief executive officer of Shanta Securities.

The company is optimistic to set a new standard in online trading in Bangladesh with its user-friendly interface, advanced features, and commitment to excellence.

BB relaxes rule over bankers' promotion

STAR BUSINESS REPORT

Bangladesh Bank in a circular yesterday relaxed a rule over the requirement of diploma certificates for bankers to get promotions.

Bankers who were senior officers prior to the introduction of the rule will not need diploma certificates to be promoted to principal officers, said the central bank.

"But ultimately they will need to get the professional certificates to get higher promotions," explained a senior BB official.

"The rules have been relaxed so that no promotions are held back and bankers get reasonable time to prepare for the diploma," he said.

The relaxation comes five months after the BB formulated the rule stipulating that bankers would have to have a junior associate of the Institute of Bankers, Bangladesh (JAIBB) and diploma associate of the Institute of Bankers, Bangladesh (DAIBB) certificates to get promoted to the next level.

The BB, however, said senior officers shifting to a different workplace in a higher position would need to have a banking diploma.

Offer adequate facilities to rural freelancers Businesses urge govt

STAR BUSINESS REPORT

The government should extend facilities, such as internet access, to freelancers in rural areas of Bangladesh so that they can become successful entrepreneurs and make a greater contribution to the economy, according to businesspeople.

"Rather than being Dhaka centric, each division, district and sub-district should get the same facilities," said Faisal Mustafa, CEO of Viser X Limited, a global IT consulting and digital marketing agency.

He yesterday made these comments while speaking at the Business Process Outsourcing (BPO) Summit-2023 at InterContinental Dhaka.

The Bangladesh Association of Contact Center and Outsourcing (Bacco) organised the two-day event.

Mustafa said the unavailability of electricity is the major problem for freelancers, especially in rural areas.

"So, these issues should get solved countrywide," he added.

Mustafa also said the country needs to focus more on technical education rather than general education.



Farmer Kamrul Hasan is seen collecting ripe velvet apples, known as Bilati Gab in Bangladesh, which were harvested from his own trees for sale to wholesalers in Dhaka at Tk 30 for every 20 pieces. The picture was taken from the Charkaua area of Barishal sadar upazila recently.

PHOTO: TITU DAS

Govt urges Japanese tech firms to invest in Bangladesh

STAR BUSINESS REPORT

Bangladesh has urged Japanese tech companies to invest in the country and build an IT training centre for the mutual benefit of both nations.

This proposal was made during a meeting between Zunaid Ahmed Palak, the state minister for ICT, and Yasutoshi Nishimura, the economy, trade and industry minister of Japan, at the Sonargaon hotel in Dhaka yesterday.

After the meeting, Palak told journalists how the ICT industry and startups of both countries can benefit from what was discussed during the meeting.

There are many institutes in Japan for human resource development that prepare fresh graduates for industry by training them for three to six months.

"To meet Japan's huge human resource shortage in artificial intelligence, robotics, microchip designing and cybersecurity, we propose Japan to set up a Bangladesh-Japan IT Training Incubation Centre at the Bangabandhu Hi-Tech City in Kaliakair upazila of Gazipur," he said.

"We will also provide 50 acres of land

to set up the Japan Exclusive IT Zone in Kaliakair for Japanese IT companies to invest in Bangladesh," he added.

Palak also said there have been discussions about the potential investment of Japanese hardware manufacturers in Bangladesh.

How brands such as Hitachi, Toshiba, Toyota, Nissan and Kawasaki can invest in Bangladesh by opening research and development centres in the country were also highlighted in the meeting.

The government will focus more on the Japanese market as it is the sixth biggest exporting country for Bangladesh in the software sector.

Also, how to provide services to Japanese companies in Bangladesh by making many more big software companies was also discussed.

Bangladesh has increased its capacity so that Japanese companies can open R&D centres in the country as they did in the Philippines and Thailand, Palak said.

Later, experts in a panel discussion said collaboration in the ICT sector would unlock many opportunities for Bangladesh and Japan as the south Asian

country is producing a large pool of ICT manpower at a time when the Island nation is suffering from a shortage.

They spoke at a summit on "Bangladesh-Japan economic relations for the next 50 years: For the industry upgradation of Bangladesh".

The Japan External Trade Organisation (Jetro), Bangladesh Investment Development Authority and Federation of Bangladesh Chambers of Commerce and Industry joint organised the daylong summit at Pan Pacific Sonargaon in Dhaka.

A survey of the Bangladesh Association of Software and Information Services (BASIS) finds that Japan currently has a manpower shortage of 8.50 lakh in ICT.

So, Bangladeshi ICT firms have high potential in the Japanese market, said Russell T Ahmed, president of BASIS.

Ahmed proposed building an IT Institute in Bangladesh jointly by Japan and BASIS.

Bangladesh exported \$125 million worth of information technology to Japan in fiscal year 2021-22, accounting for about 8 per cent of Bangladesh's total annual IT exports, according to BASIS.

Walton to export TV to South Korea

STAR BUSINESS REPORT

Walton Hi-Tech Industries PLC, a giant in the consumer electronics market of Bangladesh, will soon start exporting TVs to South Korea in a bid to expand its global presence by catering to low-end consumers in the country.

Nazrul Islam Sarkar, deputy managing director of Walton Hi-Tech Industries, and Han Ki-Jung, chief executive officer of Hans Korea, inked a memorandum of understanding to this end late last month.

Walton is constantly expanding its brand to new markets in Europe, Asia, the Middle East and Africa, according to Mostafa Nahid Hossain, chief business officer of Walton's TV division.

Major Korean electronics manufacturers, such as Samsung and LG, do not make low-end products for their local market, he said.

So, with the aim of becoming a top global brand, Walton has launched TV exports to South Korea.



Nazrul Islam Sarkar, deputy managing director of Walton Hi-Tech Industries PLC, and Han Ki-Jung, CEO of Hans Korea, pose for photographs after signing a memorandum of understanding on exporting televisions with Walton brand logo to South Korea recently.

PHOTO: WALTON GROUP

Under the agreement, Hans Korea, which mainly supplies semiconductor chips and medical apparatuses worldwide, will import basic and smart TVs from Bangladesh for their middle-class consumers.

"Expanding TV exports to South Korea is undoubtedly a huge milestone. This achievement will pay an important role in achieving the company's 'Go Global 2030' initiative," Hossain added.

Han Ki-Jung, CEO of Hans Korea, said they are happy to start working with Bangladesh's number one electronics brand.

"We hope to be able to promote the Walton band in Korea and create a strong market for Walton products in the country," he added.

As per a press release, Walton is Bangladesh's top exporter of refrigerators, TVs, washing machines and other electronic products.

The 'Made in Bangladesh' Walton products are being exported to more than 40 countries worldwide.

China to introduce more policies to spur consumption

ANN/ THE CHINA DAILY

China will formulate and introduce more effective policies for restoring and expanding consumption as soon as possible, said the country's top economic planner recently.

The policies will center on stabilising consumer spending on big-ticket items, promoting consumption of automobiles and electronic products, boosting consumption in rural areas, and improving the consumption environment, said Jin Xiangdong, an official with the National Development and Reform Commission.

The policies will center on stabilising consumer spending on big-ticket items, promoting consumption of automobiles and electronic products, boosting consumption in rural areas, and improving the consumption environment, said Jin Xiangdong, an official with the National Development and Reform Commission.

"Consumption is becoming a primary force driving the country's economic growth," Jin said, stressing that promoting consumption is the key to the current recovery and expansion of domestic demand.

In the first half of 2023, China's retail sales of consumer goods hit around 22.8 trillion yuan (about \$3.7 trillion), up by 8.2 per cent from a year ago. Consumption in catering and tourism sectors surpassed the pre-pandemic levels, and consumption's contribution to economic growth reached 77.2 per cent for the first six months of the year, Jin said.

He also cautioned that consumption capacity and

expectations are relatively weak, and the consumption environment needs to be improved, vowing to formulate and implement more policies to spur consumer spending.

"Since the beginning of this year, China has introduced a series of policies on building a high-quality charging infrastructure system and promoting new energy vehicles in rural areas," Jin said, adding that the country will continue to promote the implementation of the policies and make greater efforts to stabilise

The policies will center on stabilising consumer spending on big-ticket items, promoting consumption of automobiles and electronic products, and boosting consumption in rural areas

consumption in key fields.

Efforts should also be made to increase residents' incomes through various channels, stabilise employment and expand more scenarios for consumption, Jin added.

In response to systems and mechanisms that impede consumption, Jin said the country would work with relevant parties to study and formulate policies on creating a safe environment for consumption, improve the management system for product quality and standards, and strengthen supervision over quality and safety of products.

United Insurance posts lower profit in Q2

STAR BUSINESS REPORT

United Insurance Company Ltd posted about 8 per cent lower profit at Tk 3.60 crore in the second quarter of 2023.

The profit stood at Tk 3.92 crore in the identical April-June quarter in 2022.

Thus, the earnings per share were Tk 0.81 in April-June this year against Tk 0.88 in the same period last year.

The profit stood at Tk 4.58 crore in January-June, down 13.44 per cent from Tk 5.29 crore in the first half a year ago. So, the EPS declined to Tk 1.03 from Tk 1.19 during the period.

The EPS decreased due to higher claim payments and lower dividend incomes, said the insurer in a filing on the Dhaka Stock Exchange yesterday.

The net operating cash flow per share improved to Tk 0.89 in January-June of 2023 against Tk 0.79 in the first half of 2022.

The NOCFPS increased due to the higher collection of premium income and other incomes, said the filing.

The net asset value per share was Tk 32.69 on June 30 this year and Tk 32.68 on December 31, 2022.

Shares of United Insurance slipped 4.17 per cent to Tk 39.10 on the DSE yesterday.

Leather value lost

FROM PAGE B1
including founders Adidas, Clarks, Ikea, Nike, Marks & Spencer, New Balance, Timberland, and PrimeAsia Leather Company.

Bangladesh has set a target to export \$80 billion-worth merchandise by 2024 and \$100 billion by 2026, said Eusuf.

That is why, at least 15 factories need to avail the LWG certification within the next few years, he said.

Bangladesh Bank could form a fund of at least Tk 500 crore to offer soft loans at zero interest for periods of 15 years to 20 years to entrepreneurs, he suggested.

Besides, policy support should be strengthened for leather exports through the extension of the same benefits provided to the garments sector and continued for 5 years, he added.

The support will enable establishment of solid waste management facilities and modern dumping yards with state-of-the-art waste treatment technologies and practices, said Eusuf, also a

professor at the development studies department in the University of Dhaka.

This will ensure efficient waste disposal, minimise environmental impact and promote sustainable waste management, he added.

"Nothing is being done to improve the quality of the leather industry. As a result, time is wasted in these meetings and seminars," lamented Shaheen Ahamed, chairman of Bangladesh Tanners Association.

He suggested formation of a leather development board under the Prime Minister's Office.

Some problems prevail pertaining to the establishment of a central effluent treatment plant at Savar Tannery Industrial Estate, acknowledged Tapan Kanti Ghosh, senior secretary to the Ministry of Commerce.

"Now we have to move forward on how to solve these problems quickly. There's a lot of thinking going on about it. The proposals of the tannery owners will also be sent to the Prime Minister's principal secretary," he said.

More Japanese investors

FROM PAGE B1

A Japanese delegation is coming to Dhaka in this connection, the minister said.

Tipu Munshi, commerce minister of Bangladesh, said the EPA may be signed before 2026, the year when Bangladesh will become a developing nation graduating from the group of the least-developed countries.

Japan and India are two export destinations in Asia where Bangladesh's export earnings reached \$2 billion, he said.

Industries Minister Nurul Majid Mahmud Humayun sought investment from Japanese entrepreneurs in the automobile industry as Bangladesh is trying to establish a globally standard automotive sector.

He also called for investments in the light-engineering sector.

Zunaid Ahmed Palak, state minister for ICT, said internet has reached 13 crore people in Bangladesh while 100 per cent of the population has access to electricity.

The receipts from IT exports stand at more than \$1.5 billion, he said.

At the JP-BD Summit in Tokyo in April, the economy, trade and industry ministry of Japan and the commerce ministry of Bangladesh launched a bilateral cooperation framework for the industry upgradation of Bangladesh to contribute to the post-LDC economy and the target of the Vision 2041.

The economy, trade and industry ministry has focused on six areas as the potential fields of public-private cooperation: garment, heavy industries, logistics, circular economy, clean energy and IT.

Jetro President Kazushige Nobutani and Japanese Ambassador in Bangladesh Kiminori Iwama also spoke at the summit.

"Bangladesh needs efficient energy for sustainable development where renewable energy can play an important role," said FBCCI President Md Jashim Uddin in another session.

"Japan can work in Bangladesh's renewable energy sector as the East Asian country has experience in the area," he said, adding that the

business community from the two countries can collaborate in the area.

The government is providing Japanese businesses with all sorts of assistance so that they invest in Bangladesh, said Lokman Hossain Miah, executive chairman of the Bida.

"There are many potential sectors such as medicare, agriculture, fuel and energy where Japanese businesses can invest."

He said the Bida has made most of its services available online.

"Within a few months, we are going to ensure that all services are provided from a single place."

At the summit, the governments inked three MoUs to enhance two-way trade and investment.

Bangladesh Special Economic Zone Ltd (BSEZ) inked an MoU with Bangladesh IRIS Co Ltd, a Bangladesh-Japan joint venture promoting education for children, to purchase land and get the right to use the land at the second phase of the zone.

BSEZ signed the second MoU with Brac Kumon Ltd to provide education opportunities to school-going children near the zone.

The commerce ministry penned an MoU with the Jetro to cooperate with each other to exchange trade information and enhance the capacity of officials.

Bangladesh, Japan

FROM PAGE B1
agreements with its major partners in order to retain duty-free export benefits after graduating from the group of the least-developed countries (LDCs) in 2026.

Munshi said they discussed the continuation of zero-duty entry of Bangladeshi products to Japan in the post-LDC era.

At the meeting, Japan also expressed interest to invest in mega projects of Bangladesh, said Munshi.

He said Japan is already investing in mega projects here and showed interest to invest more.

At the meeting, they also stressed the need for exploring potential areas of bilateral investment.

Ibn Sina to invest Tk 10cr in subsidiary

STAR BUSINESS REPORT

Ibn Sina Pharmaceutical is going to invest Tk 10 crore in its subsidiary, Ibn Sina API Industry Ltd, as a part of its capital investment in order to purchase capital machinery, the company said yesterday.

The drug maker is going to purchase a total of 42.5 decimals of land in Chattogram and Barishal to set up sales depots.

The purchase price of the land will be Tk 5.58 crore, excluding registration fees and other additional expenses, according to the company.

Ibn Sina shared this information in two separate disclosures on the website of the Dhaka Stock Exchange (DSE).

Shares of Ibn Sina closed unchanged at Tk 286.6 on the DSE yesterday.

Stocks fall amid lower investor participation

STAR BUSINESS REPORT

Major indices of the stocks market in Bangladesh yesterday fell owing to lower investor participation, according to experts.

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), shed 23 points, or 0.36 per cent, to close the day at 6,342 points.

The DS30, which represents blue-chip stocks, decreased by 1.1 per cent to 2,172 points while the DSES, an index comprised of shariah-compliant companies, edged down 0.3 per cent to 1,378 points.

The stock market is facing a challenging period due to the lack of buyers and so, the index dropped, a stockbroker said.

The stock market is facing a challenging period due to a lack of buyers and so, the index dropped, a stockbroker said

Most stocks were in the red as sellers were more active than buyers, they added.

Stocks of Rupali Life Insurance were mostly to blame for dragging down the DSEX as they cost the key index 2 points while Heidelberg Cement accounted for 1.7 points, as per data of LankaBangla Securities.

The jute, cement and tannery sectors rose by around 1 per cent each while all other sectors dropped.

The insurance sector saw the steepest decline of around 3 per cent, the data shows.

Turnover, a key indicator of the market's trade volume, dropped 21 per cent to Tk 746 crore.

Of the securities traded, 44 advanced, 142 declined and 159 did not show any price movement.

Stocks of Alif Industries saw the highest gain with an increase of 8.4 per cent.

Pragati Life Insurance, Gemini Sea Food, Heidelberg Cement Bangladesh and Apex Foods were among the top gainers as well.

Rupali Life Insurance Company was the biggest loser, shedding 9.9 per cent.

Meanwhile, Khan Brothers PP Woven Bag Industries, Western Marine Shipyard, Midland Bank, and Far Chemical Industries were also on the list of significant losers.

Fu Wang Food was the most-traded stock with issues worth Tk 39 crore changing hands.

Gemini Sea Food, Alif Industries, Rangpur Dairy & Food Products, and Sea Pearl Beach Resort & Spa registered significant turnover as well.

The CASPI, the all-share price index of the Chittagong Stock Exchange, slipped by 39 points, or 0.2 per cent, to close at 18,739 points.

Of the issues traded, 33 rose, 87 retreated and 73 did not see any price swing.

Turnover of the port city bourse slid by more than 19 per cent to Tk 15.53 crore.

Threads struggles for traction

AFP, San Francisco

After a wildly successful first few days, Threads popularity has waned in the weeks since Meta launched its challenge to Twitter, which lives on despite its problems.

The average amount of time people spend on Threads daily has plummeted more than 75 per cent since the platform made a rock star debut on July 6, according to data from Sensor Tower, a market analysis firm.

Threads was quickly billed as a potential death knell for Twitter, a platform that has tumbled into chaos under the leadership of mercurial tycoon Elon Musk.

The launch saw sign-ups of more than 100 million users in less than five days, smashing the record of AI tool ChatGPT for fastest-growing consumer app and creating relief and excitement amongst early adopters fleeing Twitter.

"I actually closed down my Twitter account after starting Threads," said Brooklyn resident Lauren Brose, head of marketing at a tech start-up.

"I used to love Twitter. After Elon Musk took over Twitter, I found that the entire environment just changed completely." But weeks later, Threads has since seen a "material decline in new sign-ups," Sensor Tower said.

Twitter continues to dominate its space as a platform for online comment and news, and Musk "would have to completely destroy it" to drive away its audience for good, according to Silicon Valley investor and analyst Jeremiah Owyang. "Will Threads kill Twitter? Absolutely not. It's just not equivalent," he said.

Threads went live on Apple and Android app stores in 100 countries at its launch, though it is not available in Europe because parent company Meta is unsure how to navigate the European Union's data privacy legislation.

READ MORE ON B2



PHOTO: COLLECTED

Citizens Bank PLC launched commercial operation in July 2022 as the 61st bank in Bangladesh.

Citizens Bank aims to become a top lender

Corporate governance, compliance to help it achieve the goal, says CEO

SOHEL PARVEZ

Banks are systemically important institutions and corporate governance is vital for them to navigate difficult times and convince depositors to keep money with them.

Citizens Bank PLC, which launched its commercial operation in July 2022 as the 61st bank in Bangladesh, is aware of this.

Accordingly, the private commercial lender has attached importance to ensure corporate governance and compliance with a view to becoming one of the top banks in the country.

"Our board has directed us not to compromise with corporate governance and compliance from day one. This is our strength," said Mohammad Masoom, managing director and chief executive officer of Citizens Bank.

"I think Citizens Bank will be one of the finest banks in Bangladesh and play an important role in building public confidence."

During an interview with The Daily Star recently, Masoom said corporate governance at Citizens Bank is very strong as it believes that it will be able to overcome any situation if it ingrains the value of good governance and creates a compliance culture.

"So, from that perspective, we will be the safest custody of your deposits. We don't want to say this for the sake of saying. We don't want to keep it as rhetoric. We want to execute this. We want to make it a reality."

The bank obtained the licence in December 2020, so it had to prepare itself to launch operations amid various challenges.

The initial days had been tough owing to the Covid-19 pandemic. Problems in some new banks resulting from loan irregularities also eroded the confidence among people.



"We started our journey amid challenges. We faced problems in almost every step because of the pandemic," Masoom said.

"Some incidents had already rattled the confidence of depositors. The interest rate cap on loans affected the flow of deposits as well."

Against this backdrop, Citizens Bank began commercial operations with Tk 335 crore in deposits and nearly 1,600 accounts.

"I think it was a landmark for us," said Masoom, who was appointed in January 2021 as the first managing director and CEO of the bank.

He said they were able to collect deposits by giving assurance to savers.

"Confidence by itself is a non-monetary capital for banks. It matters most for organisations like banks to navigate difficult times. We have used our long-term relationship with people, shared with them our mission and vision, and the way we will operate."

In order to attract savers in the challenging environment, Citizens Bank had to offer a maximum of 8 per cent interest for term deposits. It, however, managed to keep the overall cost of deposits within 6 per cent.

"This is a big achievement for a new bank," he said.

According to the CEO, the banking sector has been able to regain confidence.

"The amount of money being put under the mattresses has reduced. We are getting positive results in terms of confidence and we have valid reasons to be optimistic."

Citizens Bank reached a break even in the first year of its operation.

"Our balance sheet is also clean. We don't have any non-performing loan."

Masoom, who has been working in the banking

READ MORE ON B2

SHIP TILTING IN BAY 16 days in, 20 containers feared gone overboard Rough seas hinder salvage operations

DWAIPAYAN BARUA, Ctg

Anxiety and frustration continue to grow among importers whose goods-filled containers are yet to be salvaged following the tilting of a vessel in the Bay of Bengal near the Bhasan Char coast 16 days ago.

Several of the importers claimed to have spotted, with the help of locals, at least five containers that washed ashore at Bhasan Char and Sandwip.

However, at least two had been cut open and all the goods inside looted, they said.

Pangaon Express was transporting 72 import-laden containers from the Chattogram port to Pangaon Inland Container Depot in Dhaka when it tilted to one side due to strong waves on July 6.

This sent three containers overboard and the ship became grounded.

Most of the containers had imported goods like raw materials of garment factories, motor spare parts, mobile accessories, electronics and artificial flowers.

Though the ship later returned to an upright position after several more containers apparently went overboard, it continues to be partially submerged whenever the tide rises.



A video grab of one of the containers of Pangaon Express that washed ashore.

PHOTO: COLLECTED

A salvage firm was initially called to the scene for assessments but a deal could not be reached with the ship's operator, Sea Glory Shipping Agency.

The delay in running salvage operations prompted the Chittagong Port Authority to summon the operator's officials on July 13 and emphasise on initiating the rescue operations.

On July 18 Sea Glory Shipping Agency finally signed a Tk 3 crore deal with private firm PS Shipping to salvage the ship in 45 days.

The plan is to pass several iron wires beneath the ship and to tie those to 4 to 6 barges on both sides to prevent the ship from sinking further, said Sea Glory Shipping Agency General Manager Jahir.

After three days of efforts, it was possible for the first barge to anchor around 1,000 feet away from the sunken ship on Saturday, he said.

The rough seas made it a tough job and it may take several more days for the whole operation to be completed, he added.

The importers opined that the goods could have been saved from being damaged or stolen had salvage operations been initiated immediately.

The ship's operating firm, Sea Glory Shipping Agency, blamed adverse weather for the delay.

Jahir Uddin Jewel, managing director of Sea Glory Shipping Agency, assumes that around 15 to 20 containers might have gone overboard.

A Hossain Enterprise, a private firm of Imamganj, Dhaka, had a container loaded with artificial flowers worth Tk 70 lakh imported from China.

Proprietor Ashraf Hossain said he got hold of a video footage showing goods being stolen from the container which had its sides cut open on the coast of Bhasan Char.

Fed may hike interest rates to 22-year high

AFP, Washington

After pausing in June, the US Federal Reserve is widely expected to hike interest rates again on Wednesday, adopting its most restrictive monetary stance for 22 years despite recent signs of slowing inflation.

After 10 consecutive hikes in just over a year, the Fed halted its aggressive campaign of monetary tightening last month to give policymakers more time to assess the health of the US economy, and the impact of recent banking stresses on lending conditions.

In the weeks since, positive upgrades to economic growth and cooler inflation data have reinforced the likelihood that the Fed's rate-setting committee will vote for a quarter percentage-point hike on July 25-26.



In this file photo people are seen shopping at a mall in Santa Anita, California. US economic growth has been revised upward significantly for the first quarter on the back of stronger-than-expected consumer spending.

PHOTO: AFP/FILE

READ MORE ON B2