

City Bank to fund research at Hajee Danesh university

STAR BUSINESS DESK

City Bank recently signed an agreement with Hajee Mohammad Danesh Science and Technology University (HSTU).

Prof M Kamruzzaman, vice-chancellor of the university, and Mashrur Arefin, managing director and CEO of the bank, signed the deal at the latter's head office in Dhaka, said a press release.

Under this agreement, the bank will provide a sizable fund to the HSTU for its plant and animal disease diagnostic unit as part of the bank's corporate social responsibility.

The research facilities of the university will be strengthened through purchase of new equipment for plant and animal disease diagnosis at the university's central laboratory with the support of City Bank.

Prof SM Harun-Ur-Rashid, director of the Institute of Research and Training at the HSTU, Sheikh Mohammad Maroof and Mohammad Mahbubur Rahman, additional managing directors of the bank, and high officials of both organisations were present.



Prof M Kamruzzaman, vice-chancellor of Hajee Mohammad Danesh Science and Technology University, and Mashrur Arefin, managing director of City Bank, exchange signed documents of an agreement at the latter's head office in Dhaka recently.

PHOTO: CITY BANK

Oil price rises for 6th week as supplies tighten

REUTERS

Oil prices rose more than a dollar a barrel on Friday to record a sixth consecutive week of gains, after top producers Saudi Arabia and Russia extended supply cuts through September, adding to undersupply concerns.

Brent crude futures rose \$1.10, or 1.3 percent, to settle at \$86.24 a barrel, while the US West Texas Intermediate crude gained \$1.27, or 1.6 percent, to close at \$82.82 a barrel. Both benchmarks hit their highest levels since mid-April on Friday.

Saudi Arabia on Thursday extended a voluntary oil production cut of 1 million barrels per day to the end of September, keeping the door open for another extension. Russia has also elected to reduce its oil exports by 300,000 barrels per day next month.

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"With the production cut extended, we anticipate a market deficit of more than 1.5 million barrels per day (bpd) in September, following an estimated deficit of around 2 million bpd in July and August," UBS analysts wrote in a note.

On the demand front, global oil consumption could grow by 2.4 million bpd this year, Russian Deputy Prime Minister Alexander Novak said on Friday after a ministerial panel meeting of the Opec+ group - the Organization of the Petroleum Exporting Countries and allies.

The meeting yielded no changes to output policy. The panel noted that it could take additional measures at any time, which could mean additional cuts if market conditions worsen, the UBS note added. UBS said it expects Brent prices to trade in the \$85 to \$90 per barrel range over the coming months.



Zakia Sultana, director of Mastercard Bangladesh, and Khondoker Tasfin Alam, chief operating officer of Daraz Bangladesh, pose for photographs with winners of the "Save, Spend & Win Campaign 2023" at the prize-giving ceremony held at the latter's head office in Dhaka recently.

PHOTO: DARAZ BANGLADESH

Mastercard, Daraz declare winners of campaign

STAR BUSINESS DESK

Mastercard, in collaboration with e-commerce marketplace Daraz Bangladesh Ltd, has announced the winners of the "Save, Spend & Win" campaign 2023.

Under the campaign, which was designed to promote digital payments on Daraz, a total of 13 Mastercard cardholders with the highest number of transactions win exclusive prizes, said a press release.

Kawsarul Islam, a Mastercard cardholder of LangkaBangla Finance Ltd, won the first prize and was awarded a 2-night, 3-day couple trip with air tickets and accommodations in Dubai.

The second prize winner, Mominul Haque, a Mastercard cardholder of AB Bank Ltd, was awarded a 2-night, 3-day couple trip with air tickets and accommodations in Bangkok. Shamim Reza, a Mastercard cardholder of Eastern Bank Ltd, won the third prize and was awarded a 2-night, 3-day couple trip with air tickets and accommodations in Cox's Bazar.

UCB holds training for agri entrepreneurs

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United Commercial Bank (UCB) organised a skills development training for agriculture entrepreneurs under its agri-CSR project "Voroshar Notun Janala" at the Navy Convention Centre in Chattogram yesterday.

Saifuzzaman Chowdhury, minister for land, inaugurated the event as chief guest, said a press release.

"Creating and encouraging agricultural entrepreneurs is now very important for improving the agriculture sector and for food security," the minister said.

"The training for about 12,500 agri entrepreneurs is being organised in 64 districts under the project with the aim of expanding the opportunities of humanitarian financing in the development of advanced and prosperous agriculture," said Arif Qadri, managing director and CEO of the bank.



Saifuzzaman Chowdhury, minister for land, inaugurates a skills development training programme for agriculture entrepreneurs under an agri-CSR project "Voroshar Notun Janala" organised by United Commercial Bank at Navy Convention Centre in Chattogram yesterday.

PHOTO: UNITED COMMERCIAL BANK

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (AUG 5, 2023)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 60-Tk 75	0	-1.46 ↓
Coarse rice (kg)	Tk 48-Tk 52	2.04 ↑	2.04 ↑
Loose flour (kg)	Tk 50-Tk 52	-4.67 ↓	24.39 ↑
Lentil (kg)	Tk 90-Tk 100	0	-9.52 ↓
Soybean (litre)	Tk 160-Tk 165	-4.97 ↓	-0.91 ↓
Potato (kg)	Tk 36-Tk 40	-2.56 ↓	31.03 ↑
Onion (kg)	Tk 35-Tk 65	-16.67 ↓	47.06 ↑
Egg (4 pcs)	Tk 48-Tk 50	0	19.51 ↑
SOURCE: TCB			



PHOTO: PRAN-RFL GROUP

Anika Fariha Zaman Aurna, daughter of Rajshahi City Corporation Mayor AHM Khairuzzaman Liton, cuts a ribbon to inaugurate an outlet of Daily Shopping near Nagar Bhaban in Rajshahi recently.

Daily Shopping opens outlet in Rajshahi

STAR BUSINESS DESK

Retail chain shop Daily Shopping, a concern of Pran-RFL Group, has recently opened an outlet near Nagar Bhaban in Rajshahi city.

Anika Fariha Zaman Aurna, daughter of Rajshahi City Corporation Mayor AHM Khairuzzaman Liton, inaugurated the outlet, said a press release.

Daily Shopping is now operating across the country with 67 outlets.

Among others, Galib Farrokh Bakht, chief operating officer of the company, Feroz Alom, deputy general manager, and Omar Faruk, senior manager (marketing), were present.

Visa sees potential

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holds over 70 per cent of the market share in Bangladesh's card business and is in collaborations with 54 banks, according to Sandeep Ghosh.

Transactions through Visa cards rose by 30 per cent last year, he added. In May, about 72.65 per cent of credit card transactions were through VISA cards, about 1640 per cent through Mastercard and the remaining through other types of cards, according to Bangladesh Bank data.

The digital services are available in 200 countries through deals with 17,000 banks and financial institutions, he said.

The government's push for digitalisation will help realise Bangladesh's Smart Vision 2041, he said, adding that adoption of digital payments by an emerging country can add up to 3 per cent to its economy.

Visa sees four opportunities to

accelerate the country's journey towards a "digital government" and "smart cities", Sandeep Ghosh said.

These include public fund expenditure with more efficient government procurement processes and expense management alongside efficient disbursement of social welfare and subsidies to individuals and small business, he said.

The other two are digitalisation of revenue collection alongside protection of security of payments data and supporting government initiatives such as tourism recovery, urban planning, and economic health measurement through data insights, he added.

On whether Bangladesh Bank's digital card scheme "Taka Pay" will have any impact on the business of global card service providers, Sandeep Ghosh said there was no possibility of it for "unique features in our card services".

NRB Bank plans

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Bank, aims to revolutionise payment systems, enhance convenience, and promote financial inclusion throughout the country.

It will revolutionise the payment landscape and bring forth a host of benefits for individuals, businesses, and the economy as a whole, according to the banker.

"We will keep investing in digital transformation so that we can provide consumers with a larger selection of products and services via online and mobile channels," he said.

"We want to facilitate financial inclusion through basic banking solutions online and through mobile," Mamoon added.

As a part of its focus on financial inclusion, NRB Bank's financing to small and medium enterprises (SMEs) accounts for almost 33 per cent of its portfolio, said the CEO. Besides, the lender is setting up desks

for SME and women entrepreneurs in its branches so that it can cater to their demand.

Responding to a question regarding the performance of new banks, Mamoon said there is a shortage of good governance in the overall banking sector.

"In our case, there might be initial hiccups. Now, we are trying our best to make good governance and good management prevail. Every decision is taken here at the management level. There is no interference," he said. "We have been able to establish good governance."

"Also, we have been able to properly manage our balance sheet, portfolio and risks to ensure sustainable finance. The result of this is reflected through the recognitions we get," he said, citing how NRB Bank was recognised as a sustainable bank by the central bank.

"It is not only that we are

doing business and our NPL (non-performing loans) is rising," added Mamoon.

NRB Bank's NPLs dropped to 3.22 percent by the end of 2022 from 3.39 percent a year ago.

"We managed to lower the NPL by conducting thorough credit assessments, implementing effective collection strategies, regular and effective credit monitoring, and maintaining prudent underwriting standards," he said.

Mamoon also said he aims to take the bank to "a new height by providing the best services to customers at all times and ensuring sustainability through green and environment-friendly financing".

"We will invest a substantial part -- 50 to 60 percent -- under sustainable finance. Though we are a commercial bank, we have some social obligations as well. So, we will go for green finance to ensure that," he added.

How El Nino threatens

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Southern Africa, Central America and the Caribbean and parts of Asia are of "particular concern" due to already high levels of food insecurity, according to the Food and Agriculture Organization of the United Nations (FAO).

David Rees, senior emerging markets economist at Schroders, warned that a strong El Nino could push emerging market food inflation back into double digits in 2024.

Significant changes to rainfall, or prolonged droughts, could also impact hydropower output and boost gas and coal prices as a result, according to Capital Economics.

"Several countries, mostly in Africa, are heavily reliant on hydroelectricity," the note said. "Lower rainfall could hinder electricity generation and possibly lead to power rationing."

Energy prices are also a key driver

of food inflation, they warned, while warmer temperatures could increase demand for air conditioning.

Latin American central banks were among the first to ramp up interest rates after Covid-19 to fight rising prices, and are the first to kick off easing, led by Chile and Brazil.

But the El Nino impact on agricultural production and electricity generation could complicate disinflation, and lead to higher-for-longer rates.

"Colombia and Peru are the most exposed countries, followed by Chile and Brazil to a lesser extent," said BofA's Latam local market strategist Antonio Gabriel.

BofA estimates that El Nino would be "at least of moderate intensity this year", but severe intensity could raise inflation by up to 2.5 percent in Colombia and 1.5 percent in Peru.

"Mexico seems mostly isolated," Gabriel added.

Maersk sees

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In the second quarter Maersk's container ship division saw its revenue halved from the same period last year -- when companies were trying to stock up to meet pent-up demand following the end of pandemic lockdowns in most countries -- to \$8.7 billion.

The drop was "driven by a decrease in freight rates and loaded volumes", it said. Overall revenues fell 40 percent to \$12.9 billion, in line with analyst expectations.

Strong demand saw freight rates swell, but these have since fallen back to normal levels.

Net profits fell by 83 percent to \$1.45 billion, but were much better than the \$686 million analysts expected, which the company put down to measures to reduce costs.

"Cost focus will continue to play a central role in dealing with a subdued market outlook that we expect to continue until end year," said chief executive Vincent Clerc.