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Don't do
business with
two banks
of Myanmar

BB asks banks

STAR BUSINESS REPORT

Bangladesh Bank has instructed local banks to refrain from engaging in financial transactions with Myanmar Foreign Trade Bank (MFTB) and Myanmar Investment and Commercial Bank (MICB) as the US has recently imposed sanctions on these two.

The banking regulator, through letters to all scheduled banks on August 20, said the two were now under sanctions issued by the Office of Foreign Assets Control, a financial intelligence and enforcement agency of the US Department of the Treasury.

In June this year, the US imposed sanctions on the two Myanmar banks and the defence ministry of Myanmar.

In June this year, the US imposed sanctions on the two Myanmar banks

Bangladesh Bank has issued the letter months after the US embassy in Dhaka informed Bangladesh's foreign ministry about the sanctions.

The US embassy also requested the ministry to take steps as the two have correspondent accounts with state-owned Sonali Bank.

After receiving the letter from the US embassy, the foreign ministry sent a letter to the Financial Institutions Division under the finance ministry on August 3 informing about the two banks' accounts with Sonali Bank.

Sonali Bank has frozen the accounts of the two Myanmar banks following sanctions imposed by the US, Sonali Bank Managing Director and CEO Md Afzal Karim told The Daily Star recently.

"Further steps will be taken based on Bangladesh Bank's opinions," he said.



Corporates, poultry giants
expand foothold in
EGG MARKET

SUKANTA HALDER

Bangladesh's egg market used to be largely ruled by thousands of small retailers and wholesalers, but the composition of sellers has been changing for the past several years with the emergence of large corporates and poultry industry giants.

They are gradually expanding the size of their baskets by including the popular protein item, which has raised concerns among small farmers and egg producers. It has also led to analysts calling for major reforms in terms of market management, identifying dominant players and fixing investment ceilings to ensure fair competition.

Take the example of Pran-RFL Group, a leading food and plastic producer in Bangladesh. The company produced 20,000-25,000 eggs per day when it started commercial production in September 2022.

But now it is producing and marketing nearly two lakh eggs daily, said Kamruzzaman Kamal, director of marketing at Pran-RFL Group.

"Due to a rise in health consciousness, urbanisation and improved standards of living, a large market for eggs has been created. That's why we have entered," he added.

Similarly, Diamond Egg Ltd, which signed up for layer poultry farming in 2012, now produces about 15 lakh eggs daily, up from

three lakh daily at the start of operations, according to its Managing Director Kayser Ahmed.

Alongside Pran-RFL Group and Diamond Egg Ltd, roughly 20 large firms -- including poultry industry major such as Kazi Farms,

Due to a rise in health consciousness, urbanisation and improved standards of living, a large market for eggs has been created. That's why we have entered.

Kamruzzaman Kamal
Director of marketing at Pran-RFL Group

Paragon Group, and pharma maker Renata's subsidiary Purnava Ltd -- are selling packaged eggs in a market still dominated by unpackaged eggs.

Curiously, no estimate of egg sales by large companies is available.

Egg sellers said Bangladesh requires nearly four crore eggs per day and that small layer chicken farmers supply most of it.

But the presence of branded eggs is increasing, that too at a premium.

A visit to four supermarkets revealed that

branded eggs were selling for at least Tk 25 higher per dozen than unpackaged eggs, which were selling at a maximum of Tk 160 per dozen, according to Trading Corporation of Bangladesh (TCB) data.

Kazi Zahin Hasan, director of Kazi Farms Group, said unbranded eggs were mostly produced by small farmers and did not offer any assurances regarding quality.

"Some consumers buy branded eggs because they want a reputable company to assure them of the quality of the product they are buying," he said, adding that Kazi Farms was increasing investment in the sector in response to rising demand.

Md Sirajul Hoque, director of the animal health division at Renata, said that demand from high-end consumers had led to them producing Omega-3, vitamin E and vitamin B9-enriched eggs.

Hoque said the prices of such eggs were higher than normal eggs due to higher costs of production.

At the other end of the spectrum, Khondaker Md Mohsin, secretary general of the Bangladesh Poultry Industries Association, said many egg farmers were forced to shut down shops over the past three-four years due to increasing production costs and an inability to fight off competition.

READ MORE ON B3

BSEC finalising
rules to set up
commodity
exchange

AHSAN HABIB

The Bangladesh Securities and Exchange Commission (BSEC) is finalising a draft of rules regarding the commodity exchange on availing opinions from stakeholders with hopes that the first-ever exchange can be launched within a couple of months.

A commodities exchange is a legal entity that determines and enforces rules and procedures for trading standardised commodity contracts and related investment products.

According to experts, a commodity exchange allows farmers to lock in prices using forward contracting. This also reduces the risk of a drastic price drop and squeezes out uneven ups and downs of commodity prices in the country.

Last month the stock market regulator received public opinion on a draft of the Bangladesh Securities and Exchange Commission (Commodity Exchange) Rules, 2023.

On analysing the opinions, the regulator will finalise the rules and publish it through a gazette soon, said Mohammad Rezaul Karim, spokesperson of the BSEC, yesterday.

READ MORE ON B3

Saudi firm sells
off holdings in
Islami Bank

STAR BUSINESS REPORT


Islami Bank's stock made a record yesterday as Tk 524 crore worth of shares of the lender were traded at the Chittagong Stock Exchange (CSE) after a Saudi investor sold off its shares in the bank.


The price of Islami Bank share remained unchanged yesterday like the previous day at Tk 32.3 at the CSE where 16.34 crore shares of the shariah-based bank changed hands.

A top official of the CSE, preferring anonymity, confirmed that the shares were traded at the block market and the share has been transferred among the corporate owners of the bank.

READ MORE ON B3

| STOCKS | | | |
|---|-------------------|--------------------|--|
|  | DSEX ▲ | CASPI ▲ | |
| | 0.14% 6,316.98 | 0.19% 18,666.98 | |

| COMMODITIES | | | |
|---|---------------------------|-------------------------|--|
|  | Gold ▼ | Oil ▼ | |
| | \$1,931.52 (per ounce) | \$85.31 (per barrel) | |

| ASIAN MARKETS | | | | |
|---|----------------------|----------------------|---------------------|---------------------|
| | MUMBAI | TOKYO | SINGAPORE | SHANGHAI |
|  | ▲ 0.23% 65,780.26 | ▲ 0.30% 33,036.76 | ▼ 0.37% 3,226.83 | ▼ 0.71% 3,154.37 |



Mostly being grown in the southwest coastal zone of the country for long, shrimp is one of the major export items of Bangladesh. The photo was taken at a processing factory of an exporter in Rupsha upazila of Khulna on Monday.

PHOTO: HABIBUR RAHMAN

No sign of recovery
in shrimp exports

STAR BUSINESS REPORT

After recording a 21 percent dip in earnings in fiscal 2022-23, the downturn in frozen food exports have extended in the current fiscal year, according to market players.

This is because the demand for black tiger shrimp has not recovered in Europe, the main market for locally grown shrimp, they said.

Exports of frozen and live fish declined 25 percent year-on-year to \$61 million in the July-August period of fiscal year 2023-24, shows data of the Export Promotion Bureau (EPB).

This was due to a slump in earnings from shrimp, which brought home 73 percent of the export receipts for the sector during the opening quarter.

"Our main market is Europe. Consumers there are cutting on foods like shrimp as their cost of living has increased. We are feeling the consequence of the Russia-Ukraine war," said Shyamal Das, managing director of MU Sea Foods, a frozen foods exporter.

Grown mostly in the southwest coastal zone, shrimp is a major export item for Bangladesh.

Export earnings from the sector have been suffering from volatility for the last decade, impacted by competition from the cheaper priced vannamei grown in other countries, including India.

After a consistent fall, exports rebounded in the two years until fiscal year 2021-22.

However, it fell the following year and the decline continued this year. Shipments in terms of quantity also dropped, according to data of the Bangladesh Frozen Foods Exporters Association.

Shyamal said prices have falling along with demand. The price of shrimp, which was \$14 per kilogramme a year ago, has dropped to \$11-11.5 per kilogramme.

"To be honest, I don't see any possibility of recovery. If there is any rebound it may come in the third quarter of

READ MORE ON B3

Advertisement



Furushima Renaissance Limited.
A new door of Prosperity has been unfolded



Renaissance Group, a trusted name in the apparel sector of Bangladesh, has joined hands together with Fashion Cloth Furushima, a century old company serving Japanese clothing brands with great reputation. Both companies have launched their new venture by signing an MoU on 22nd August, 2023 at Hotel Le Meridien, Dhaka, Bangladesh. The joint venture is known as "Furushima Renaissance Ltd." (FRL). FRL would provide one stop service for all apparels solutions of Japanese clients from Bangladesh.

Signatories of MoU were Mr. Kazuo Furushima, President, Fashion Cloth Furushima and Mr. Md. Modasser Pasha, Managing Director, Renaissance Designs Ltd. Along with the signatories, Mr. Kazi Sharwar Habib, Chairman of FRL, & Mr. Md. Saiful Alam, Director, FRL were also present.

The Chief guest of the signing ceremony was Mr. Md. Shahriar Alam MP, Honorable State Minister for Foreign Affairs, People's Republic of Bangladesh.

The signing ceremony witnessed the presence of senior officials from Embassy of Japan, JETRO Dhaka, Japan Chamber Industry Association- Dhaka (JCIAD), Mitsubishi UFJ Bank and Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and Directors of Renaissance Group.

Renata to avail ‘Cash Pickup’ service of bKash

STAR BUSINESS DESK

Renata Ltd, a pharmaceutical manufacturer of Bangladesh, recently signed a deal with bKash to use its business-to-business (B2B) “Cash Pickup” solution at 19 distribution depots across the country.

Ali Ahmmed, chief commercial officer of the mobile financial service (MFS) provider, and Mustafa Alim Aolad, chief financial officer of the pharmaceutical company, inked the agreement at the latter’s head office in Dhaka, said a press release.

Under the deal, the salaries and allowances of workers of Renata’s factory and distribution depots would be paid directly to their bKash accounts through bKash’s ‘disbursement solution’.

This type of B2B solution will make financial transactions easy, transparent and secure in every step of the supply chain starting from manufacturer to retailers, said the press release. Among others, Syed S Kaiser Kabir, managing director and CEO of Renata, and Kamal Quadir, chief executive officer of bKash, were present.



Kamal Quadir, chief executive officer of bKash, and Syed S Kaiser Kabir, managing director and CEO of Renata, exchange signed documents of an agreement at the latter’s head office in Dhaka recently.

PHOTO: BKASH

Mahmood becomes AMD of Mutual Trust Bank

STAR BUSINESS DESK



Mutual Trust Bank Ltd has promoted a deputy managing director to the post of additional managing director with effect from September 1 this year.

The promotee, Md Khalid Mahmood Khan, will also be serving the bank as a chief business officer concurrently, said a press release.

Khan embarked on his banking career with Agrani Bank Limited as a probationary officer in 1994.

He has 29 years of front-line banking experience in relationship management of diverse customer segments i.e. corporate, financial institutions, local corporate, and SME and retail, and practical knowledge in lending, recovery, international trade, foreign exchange, and general banking.

He obtained his master’s degree from the University of Dhaka and did an MBA.

Eastern Bank takes PLC suffix

STAR BUSINESS DESK

Eastern Bank Limited (EBL) has been renamed as Eastern Bank PLC with effect from September 3.

In this regard, the Banking Regulation and Policy Department (BRPD) of the Bangladesh Bank issued a circular to all scheduled commercial banks’ managing directors and chief executive officers to take necessary steps to transact as per newly changed name.

A gazette was published on Sunday signed by Abu Farah Md Naser, deputy governor of the central bank, incorporating the change, said a press release.



Md Mostafa Musharrof, head of card division at Trust Bank, and Md Mozammel Haque Bhuiya, head of marketing at Astra Airways, exchange signed documents of a memorandum of understanding at the bank’s head office in Dhaka on Monday.

PHOTO: TRUST BANK

Trust Bank, Astra Airways sign MoU

STAR BUSINESS DESK

Trust Bank Ltd and Astra Airways Ltd have signed a memorandum of understanding (MoU) at the bank’s head office in Dhaka on Monday.

Md Mostafa Musharrof, head of card division at the bank, and Md Mozammel Haque Bhuiya, head of marketing at Astra Airways, inked the MoU, said a press release.

Under the MoU, the bank’s debit and credit cardholders will be able to avail 10 percent discount on base fare on domestic routes’ ticket purchase from Astra Airways.

Ahsan Zaman Chowdhury, deputy managing director and chief business officer of the bank, along with other officials from both organisations were present.

Shimanto Bank inks MoU with Nagad

STAR BUSINESS DESK

Shimanto Bank recently signed a memorandum of understanding (MoU) with mobile financial service (MFS) provider Nagad Ltd at the bank’s head office in Dhaka.

Mohammad Azizul Hoque, head of operations and chief risk officer of the bank, and Md Shihab Uddin Chowdhury, chief commercial officer of the MFS provider, signed the MoU, said a press release.

Under the MoU, customers will enjoy “add money service” from the bank’s internet banking option “Connect” to the MFS provider.

Rafiqul Islam, managing director and CEO of the bank, along with senior officials from both the sides were present.



Mohammad Azizul Hoque, head of operations at Shimanto Bank, and Md Shihab Uddin Chowdhury, chief commercial officer of Nagad, exchange signed documents of a memorandum of understanding at the former’s head office in Dhaka recently.

PHOTO: SHIMANTO BANK

Japan household spending suffers big drop

REUTERS, Tokyo

Japanese household spending suffered its biggest drop in nearly 2-1/2 years squeezed by rising prices, although volatility in some items meant the outlook might not be as gloomy as the headline figures suggested.

Japan’s economy grew much faster than expected in the second quarter, helped by the end of

Covid-19 curbs and a resurgence in inbound tourism, and analysts expect private consumption to support overall growth amid weakness in global demand.

The household spending fell 5.0 percent in July from a year earlier, official data showed on Tuesday, sliding for five consecutive months and more than the median market forecast for a 2.5 percent decline.

On a seasonally adjusted month-

on-month basis, household spending was down 2.7 percent, versus an estimated 0.5 percent gain.

Spending on dining out, transportation, culture and entertainment services increased with an uptick of the number of people who went out, but there were declines in a wide range of areas such as food and housing, an official at the Ministry of Internal Affairs and Communications said.



Md Towhidur Rahman, chairman of the risk management committee of Shahjalal Islami Bank, presides over the bank’s 60th meeting of the risk management committee of the board of directors at its corporate head office in Dhaka recently. Among others, Mohiuddin Ahmed and Fakir Mashrikuzzaman, directors, KAM Majedur Rahman, independent director, Mosleh Uddin Ahmed, managing director and CEO, and Md Abul Bashar, company secretary, were present.

PHOTO: SHAHJALAL ISLAMI BANK



Tahmina Ahmed, managing director of Seven Rings Cement, inaugurates a tree plantation programme at its three factories in Gazipur, Khulna, and Chattogram recently. Among others, Saif Rahman, director of the company, Md Kausar Alam, chief financial officer, Nantu Kumar Dey, chief technical officer, Md Harun-Ur-Rashid, chief marketing officer (SSPL), Md Kamrul Ahsan, chief operating officer, Md Motiur Rahman, chief operating officer (WTD), Md Mayeen Uddin Thakur, senior general manager, and Abul Kalam Azad, adviser (estate affairs), were present.

PHOTO: SEVEN RINGS CEMENT

Rupee weakens to nearly 2-week low

REUTERS, Mumbai

The Indian rupee closed weaker on Tuesday as the local unit slipped to the 83 level for the first time in nearly two weeks due to broad weakness in Asian currencies and likely dollar outflows.

The rupee ended at 83.04 against the US dollar, compared with 82.7475 in the previous session.

The Chinese yuan and other Asian currencies dropped after a sluggish data release from China renewed concerns about the country’s economic growth trajectory.

The Korean won led losses among the Asian currencies, down by almost 1 percent. On the other hand, the dollar index was up 0.46 percent at 104.6.

Traders said dollar outflows were another reason for the rupee’s weakness. While some traders cited corporate dollar outflows, others pointed to equity-related outflows.

Dollar demand from oil companies also exerted pressure on the rupee, a foreign exchange trader at a foreign bank said.

Meanwhile, the yield on the 10-year US treasury rose slightly to 4.21 percent in the Asia session, while the two-year treasury yield held steady at 4.90 percent after rising on Friday. US markets were closed on Monday on account of the Labour Day holiday.

Unless the rupee perches lower than its all-time low, it is unlikely to convincingly move in any one direction, said Anindya Banerjee, head of foreign exchange research at Kotak Securities.

“This is the deadzone for the (USD/INR) bulls,” Banerjee said, referring to how the rupee has received the Reserve Bank of India’s help around similar levels in the past to aid recovery in the local unit.

The rupee hit its record low of 83.29 in October 2022.

Russia upends

FROM PAGE B4

Global wheat production is also expected to be smaller in 2023-2024 than in the previous year due to the effects of climate change on harvests in Canada and Australia and consumption forecasts exceeding production by 20 million tonnes.

With that in mind, “the world hopes that 45 million tonnes of Russia wheat will reach the market,” said David Laborde, director of agrifood economics division at the UN’s Food and Agriculture Organization.

Sebastien Abis, author of the book “Geopolitics of Wheat” and associate researcher at the French Institute of International and Strategic Relations think tank, noted that Russia alone provides a quarter of world wheat exports.

The country has also built up a “significant” stock of grain, he added. Russia, which imported more wheat than it exported 25 years ago at the end of Soviet rule, became the top exporter in 2016.

Agriculture is now the third biggest sector in terms of trade for Russia behind fossil fuels and minerals.

“Russia recharged its agriculture,” Abis said, adding that Moscow has also “Russified” its wheat diplomacy. We are no longer within the rules of the market”.

Putin said Monday that Russia would soon make good on a promise made after the grain deal collapsed to deliver free shipments to six African countries.

He has also kept grain prices low to gain a competitive edge over other exporting nations and offered special prices to Egypt, which has also been a buyer of Ukrainian wheat.

Moscow “is drawing new maps” as it seizes on the fact that Russia is the only country capable of producing and exporting more, Abis said.

“The only country that could match Russia was Ukraine,” he added.

Egypt and Turkey are the top importers of Russian wheat.

The North African country imports 80 percent of its grain from Russia and Ukraine while Turkey turns it into flour for export to the Middle East, Africa and Asia, Laborde said.

Countries that are big consumers of bread depend the most on Russian wheat and are as far east as Pakistan or Sri Lanka.

The trade routes no longer follow any “geographic logic”, with Morocco and Algeria, for instance, changing their import rules to be able to buy Russian wheat instead of their traditional supplier France, Abis said.

India’s services growth

FROM PAGE B4

The business outlook for the next 12 months was the most robust since December, encouraging firms to hire at the fastest pace in nine months.

However, inflationary pressures quickened and the prices charged index reached a peak last seen in June, even though input prices rose at a slower pace.

“Favourable demand trends also led to the joint-fastest increase in prices charged for Indian services in over six years, which may prompt attention from policymakers and potentially delay cuts to the benchmark repo

rate,” De Lima added.

India’s inflation is expected to remain above the Reserve Bank of India’s target range of 2 percent-6 percent until at least October. But the central bank is forecast to keep its key policy rate unchanged at 6.50 percent until end-March, followed by a 25 basis point cut in April-June.

Despite India’s manufacturing activity expanding at a three-month high in August, slower services growth meant the overall S&P Global India Composite PMI Output Index cooled to 60.9 last month from 61.9.

| PRICES OF KEY ESSENTIALS IN DHAKA CITY | | | |
|--|---------------------|----------------------------|--------------------------|
| | PRICE (SEP 5, 2023) | % CHANGES FROM A MONTH AGO | % CHANGE FROM A YEAR AGO |
| Fine rice (kg) | Tk 60-Tk 72 | -2.22 ↓ | 0 |
| Coarse rice (kg) | Tk 48-Tk 50 | -2 ↓ | -4.85 ↓ |
| Loose flour (kg) | Tk 45-Tk 50 | -6.86 ↓ | -4.04 ↓ |
| Lentil (kg) | Tk 95-Tk 100 | 2.63 ↑ | -7.14 ↓ |
| Soybean (litre) | Tk 155-Tk 160 | -3.08 ↓ | -8.7 ↓ |
| Potato (kg) | Tk 42-Tk 45 | 14.47 ↑ | 61.11 ↑ |
| Onion (kg) | Tk 80-Tk 90 | 36 ↑ | 100 ↑ |
| Egg (4 pcs) | Tk 50-Tk 53 | 5.1 ↑ | 28.75 ↑ |
| SOURCE: TCB | | | |

China to launch \$40b fund to boost chip industry

REUTERS, Hong Kong/Beijing

China is set to launch a new state-backed investment fund that aims to raise about \$40 billion for its semiconductor sector, two people familiar with the matter said, as the country ramps up efforts to catch up with the US and other rivals.

It is likely to be the biggest of three funds launched by the China Integrated Circuit Industry Investment Fund, also known as the Big Fund.

Its target of 300 billion yuan (\$41 billion) outdoes similar funds in 2014 and 2019, which according to government reports, raised 138.7 billion yuan and 200 billion yuan respectively.

One main area of investment will be equipment for chip manufacturing, said one of the two people and a third person familiar with the matter.

President Xi Jinping has long stressed the need for China to

President Xi Jinping has long stressed the need for China to achieve self-sufficiency in semiconductors

achieve self-sufficiency in semiconductors. That need has become all the more pressing after Washington imposed a series of export control measures over the last couple of years, citing fears that Beijing could use advanced chips to boost its military capabilities.

In October, the US rolled out a sweeping sanctions package that cut China's access to advanced chipmaking equipment and US allies Japan and the Netherlands have taken similar steps.

The new fund was approved by Chinese authorities in recent months, two of the people said.

China's finance ministry is planning to contribute 60 billion yuan, said one person. Other contributors could not be immediately learned.

All the sources declined to be identified as the discussions were confidential.

The State Council Information Office, which handles media queries on behalf of the government, the finance ministry and the Ministry of Industry and Information Technology did not immediately respond to Reuters requests for comment.



The market for hog plums, locally known as amra, has exploded into life in the southern region of the nation, with approximately 30,000 tonnes of the fruit, valued at around Tk 100 crore, being produced across six districts.

PHOTO: TITU DAS

Hog plum farmers log better business

SUSHANTA GHOSH

River canals in the southern region of Bangladesh are packed with vendors that have seemingly built their dreams around the production of hog plums, locally known as 'amra'.

Trawlers and hundreds of boats laden with hog plums on their way to Dhaka and Chattogram have become a common sight in Nesarabad upazila and Jhalakathi sadar upazila in Barishal.

According to the Department of Agricultural Extension (DAE) in Barishal, approximately 30,000 tonnes of the fruit, valued at around Tk 100 crore, was produced on about 2,000 hectares of land across six districts in the region.

Hog plum cultivation now supports the livelihood of at least 20,000 farmers and at least 1,000 wholesalers and trawler owners in the southern region.

Hog plum cultivation now supports the livelihood of at least 20,000 farmers and at least 1,000 wholesalers and trawler owners in the southern region.

at least Tk 5 lakh from cultivating hog plums on two acres of land. Md Waliur Rahman of Jhalakathi sadar added: "We got about 100 tonnes of the fruit, which is worth Tk 5 lakh, from around eight acres of land. At the end of the season, more will be cultivated."

Farmers said easy transportation due to the Padma Bridge has given a fillip to the trade.

Babul Mandal, from Atghar union of Nesarabad upazila, said at least 100 trucks



were transporting hog plums from Atghar, Kuriana and Adamkathi Haat to Dhaka and Chattogram daily. Sahid Mallik, a wholesale businessman from the Zindakathi village in Pirojpur, added that at least 100 local wholesalers had dispatched 300-400 tonnes of hog plums by trucks and trawlers to Dhaka and Chattogram.

Depending on the quality, the price ranges from Tk 20,000-25,000 per tonne, said Shekhar Sikder.

"It is playing a major role in overcoming the downturn associated with the Covid-19 pandemic," said Niranjan Halder, president of an association of guava and hog plum farmers.

Chapal Krishna Debnath, upazila agriculture officer of the DAE in Pirojpur, said yields were better this time, with at least 16 tonnes collected per hectare. Ali Ahamed, upazila agriculture officer of the DAE in Jhalakathi sadar, said 90

hectares in Jhalakathi had been devoted to hog plum cultivation.

Local farmers said they gravitated towards the crop because it offered good profit, especially since the price of the fruit was higher this year compared to the past. Several farmers said they were anticipating higher profits from the cultivation of hog plums than in previous years.

Many have replaced their guava orchards, which they say offers little profit, and instead started planting hog plums to make up for losses suffered in the fallout of the pandemic.

However, Bipul Bihari Halder, a principal by profession who also maintains a farm, pointed out one of the issues facing the industry. He said that farmers could not meet demand for hog plums in the off season, when prices are generally higher, due to a lack of methods to preserve their harvest, such as cold storages.

Bangladesh Festival begins Sept 27

STAR BUSINESS REPORT

The first "Bangladesh Festival", a four day fair aiming to promote tourism in Bangladesh, will begin at the Bangabandhu International Conference Centre in Dhaka on September 27.

Organised by the Bangladesh Tourism Board (BTB) on the occasion of World Tourism Day 2023, the festival will be open to visitors from 11:00am to 11:00pm every day.

Abu Tahir Muhammad Zaber, chief executive officer of the BTB, announced the event through a press conference at his office in Dhaka's Agargaon yesterday.

He said the representatives of local tour operators, airlines and hospitality service providers, such as hotels and resorts, will participate in the festival to showcase various offers for potential tourists.

Zaber explained that the festival aims to help visitors make interesting travel plans by providing a platform to learn about the country's cultural and heritage sites.

"Visitors will have the opportunity to see pictures of the tourist attractions in each district before deciding to go witness their natural beauty, history and traditions first hand," he added.

Besides, traditional food items of Bangladesh will be available at the event, providing an opportunity to enjoy the country's unique and authentic cuisines.

A total of 10 seminars will be held at the event, with topics ranging from safety, accommodation and transport to investment opportunities, data innovation and human resource development in tourism.

Zaber also said the four-day cultural programme will showcase some of the country's iconic performing arts and literature, including Gambhira, Baul music and Potho Natya.

The BTB plans to celebrate World Tourism Day in this fashion at the same place every year.

India's services growth slows But exports hit record high

REUTERS, Bengaluru

Growth in India's dominant services industry lost some steam in August but overall conditions remained strong despite elevated inflationary pressures, according to a business survey that showed exports were at a record high on robust foreign demand.

Tuesday's findings, coupled with a sister survey on Friday which found factory growth expanded at its fastest pace in three months, suggest Asia's third-largest economy will be the fastest-growing major country despite slowing global growth.

The S&P Global India services Purchasing Managers' Index fell to 60.1 in August from 62.3 in July, lower than the Reuters poll expectation of 61.0.

Still, the reading was above the 50-mark separating growth from contraction for a 25th consecutive month - the longest stretch since August 2011.

"This spike in international demand supported one of the best sales performances recorded over the past 13 years, and acted as a catalyst for firms to expand their workforces as well as output," noted Pollyanna De Lima, economics associate director at S&P Global.

"Demand strength also fostered a heightened sense of optimism regarding the outlook, boding well for economic growth prospects."

A sub-index monitoring overall demand slowed slightly in August compared to the previous month. Although it remained strong at 60.0 it was below July's 13-year peak of 62.2.

Foreign demand was its highest since the series began in September 2014.

READ MORE ON B2

Russia upends global grain trade

AFP, Paris

Russia has cemented its position as the world's top grain exporter with the help of a bumper harvest and cut-rate prices while its war in Ukraine has upended the market.

Ukraine was a major exporter of wheat and other food commodities to developing nations before Russia's invasion in February last year, but it has lost access to the crucial Black Sea route for its shipments.

Moscow initially imposed a blockade on Ukraine shipments via the Black Sea but later agreed to reopen the route in a deal brokered by the United Nations and Turkey that included inspections of ships to ensure they were not carrying weapons.

The agreement enabled Ukraine to export more than 30 million tonnes of grain from three Black Sea ports, but Russia withdrew from the initiative in July.

The corridor "didn't help Ukraine rebound in terms of their agricultural production" as the invasion deprived it of a quarter of its exploitable grain fields, said Joseph Glauber, senior research fellow at the International Food Policy Research Institute in Washington.

Turkish President Recep Tayyip Erdogan met Russian leader Vladimir

Putin on Monday in an effort to revive the grain deal.

Putin warned that Moscow would only return to the arrangement when Western nations fully implement agreements to lift restrictions on Russian agricultural exports.

Erdogan said on Monday that Turkey and the United Nations had prepared new proposals aimed at addressing Russia's problems with the deal.

Ukraine was a major exporter of wheat and other food commodities to developing nations before Russia's invasion in February last year

The Black Sea disruptions have prompted Ukraine divert its grain exports through other routes including the Danube river, trucks and train.

But the river route is not completely safe, either, with infrastructure coming under attack, the latest being a drone strike on a grain export hub on the Danube on Monday.

READ MORE ON B2

Sugar price in India jumps to 6-year high

REUTERS, Mumbai

Sugar prices in India have jumped by more than 3 percent in a fortnight to their highest level in six years, traders and industry officials said, as limited rainfall in the country's key growing regions raised production concerns for the upcoming season.

This could add to food inflation and discourage New Delhi from allowing sugar exports, supporting global prices, which are near their highest in more than a decade.

"Sugar mills are worried that production could fall sharply in the new season because of drought. They are not willing to sell at lower price," said Ashok Jain, president of the Bombay Sugar Merchants Association.

Higher prices will, however, improve margins for producers such as Balrampur Chini, Dwarikesh Sugar, Shree Renuka Sugars and Dalmia Bharat Sugar, helping them make payments on time to farmers, dealers said.

Sugar output could fall by 3.3 percent to 31.7 million metric tons in the new season starting from October 1 as low rainfall hits cane yields in the western state of Maharashtra and Karnataka in southern India, which together account for more than half of total Indian output, a leading trade body estimated.

Although sugar prices rose to 37,760 rupees (\$454.80) per metric ton on Tuesday, their highest since October 2017. Indian prices are

nearly 38 percent lower than the global white sugar benchmark.

The price rise will dissuade the Indian government from allowing exports in the new season, Jain said.

India allowed mills to export only 6.1 million metric tons of sugar during the current season

to September 30, after letting them sell a record 11.1 million metric tons last season.

New Delhi is expected to ban mills from exporting sugar in the season beginning October, halting shipments for the first time in seven years, three government sources told Reuters last month.



People buy sugarcane at a wholesale market in Bengaluru. Sugar mills in India are worried that production could fall sharply in the new season because of drought.

PHOTO: AFP/FILE