

'Hyundai Exchange Fair' at Banani Bidyaniketan Sep 15-16

STAR BUSINESS DESK

Fair Technology, a concern of Fair Group and local distributor of Hyundai in Bangladesh, will organise a car exchange programme styled "Hyundai Exchange Fair" at Banani Bidyaniketan School and College on September 15-16.

Mutassim Daiaan, chief executive officer of the company, made the announcement at a press conference at Hyundai Experience Centre on Tejaon Link Road in Dhaka, said a press release.

"This programme has brought a great opportunity to upgrade your car and your standard of life as well," he said.

"Bangladeshi car enthusiasts would love to embrace the latest innovations and uniqueness of Hyundai brand new cars by exchanging their used old cars of any brand," he said.

Air Astra, Secret Recipe and RTV are partners of the programme.

Hyundai has enlisted Mutual Trust Bank, Eastern Bank, Brac Bank, United Commercial Bank, Dhaka Bank, IPDC Finance Limited and Strategic Finance and Investments Ltd as auto-finance partners.

JM Taslim Kabir, head of marketing of Fair Group, Hasnain Khurshed, head of communications, Abu Nasser Mahmood, head of sales, Muhammad Sajjad Mahmud, marketing manager of Fair Technology, and KSM Mohitul Bari, business head of Secret Recipe, were present.



Workers at a paddy field are seen enjoying their lunch break after planting saplings amid the ongoing Aman season. Each worker earns about Tk 600 for toiling from 8:00am to 4:00pm each day. The picture was taken from Nakta village in Jhalakathi recently. PHOTO: TITU DAS

Commonwealth trade and investment forum from Sep 13

STAR BUSINESS REPORT

A two-day "Commonwealth trade and investment forum" (CTIF) will be held at InterContinental Dhaka from September 13.

The Commonwealth Enterprise and Investment Council, which is the Commonwealth's accredited business network, Bangladesh Investment Development Authority (Bida), the Ministry of Foreign Affairs and Zi Foundation, a family-run foundation that offers support to vulnerable people, will jointly organise the event.

The Commonwealth is a voluntary association of 56 countries, home to one-third of the world's population. Bangladesh joined the Commonwealth as its 34th member in 1972.

The forum was previously organised in other member states of the Commonwealth such as in the UK, Singapore, Kenya, Rwanda and Malta.

The organisers say the aim is to promote innovation, trade, investment and economic growth, enhance partnerships and explore

ways towards sustainable and inclusive economic development for Bangladesh.

Prime Minister Sheikh Hasina is scheduled to inaugurate the event at Bangabandhu International Conference Center in Dhaka and present a "Commonwealth Bangabandhu Sheikh Mujibur Rahman Green Investment Award".

The forum will give Bangladesh a "tremendous opportunity" to grow trade and investment, Salman F Rahman, the prime minister's private industry and investment adviser, told a press conference at Bida yesterday. Bangladesh has been an active part of the Commonwealth since gaining independence, he said.

"During the forum, Bangladesh will be able to showcase its trade and investment opportunities in front of the Commonwealth countries. It will be positive for everyone," said Rahman.

Highlighting the country's various socio-economic achievements, the prime minister's adviser said Bangladesh has achieved significant progress in the past 14 and a half

years and a number of startups have sprung up in line with the "Smart Bangladesh" vision.

Responding to a question, Salman F Rahman said they have invited all Commonwealth countries to attend the upcoming forum and countries like Nigeria, Kenya, Rwanda and Ghana have already confirmed their participation.

Meanwhile, top representatives of public and private sectors from Bangladesh and various Commonwealth member countries will participate in 12 sessions in total and the country's 4th Industrial Revolution will get focus, he said.

Up until now, 250 foreign participants are scheduled to come to Bangladesh and this number will increase to 300, including 13 foreign ministers and members of parliament, Rahman noted.

"We hope for the forum to provide an excellent opportunity to expand business between Commonwealth countries. The economy of Bangladesh has changed in the past years," said Md Lokman Hossain Miah, executive chairman of Bida.

BFIU worried over money laundering thru MFS platforms

STAR BUSINESS REPORT

Bangladesh Financial Intelligence Unit (BFIU) yesterday requested mobile financial service (MFS) providers to take necessary steps to stop illegal online gambling, gaming, and betting through such digital platforms.

"Financial crimes like illegal online gambling, gaming, betting and forex and crypto trading are on the rise and boosting money laundering," said the BFIU, which works to combat money laundering and terrorist financing.

By exploiting the digital payment system, these crimes are simplifying and accelerating the illegal hundi processes, it said. Hundi is an informal method of transferring money from one country to another.

Head of the BFIU, Md Masud Biswas, held a meeting about the issue yesterday with representatives from the Payment Systems Department and Foreign Exchange Policy Division of Bangladesh Bank.

Also present were the managing directors and chief executive officers of bKash, Nagad, Rocket and Upay, read the press release.

The BFIU called upon stakeholders to ensure that MFS accounts were not used as a means of payment in online gambling, gaming, betting and forex and cryptocurrency trading.

Tech park opens in Netrokona

STAR BUSINESS DESK

The Metal Pvt Ltd, in association with Appropriate Scale Mechanisation Innovation Hub (ASMIH)-Bangladesh project of Bangladesh Agricultural University (BAU) and Single Shade Service Point (SSP), opened a technology park at Purbadhala in Netrokona on Wednesday.

Prof Prashant K Kalita, director of Appropriate Scale Mechanisation Consortium, and Sadid Jamil, managing director of The Metal Pvt Ltd, jointly inaugurated the park, said a press release.

This park exhibits modern machinery and serves as a training and service centre for farmers, offering guidance on the operation and maintenance of these advanced agricultural tools.

Aliyu Faye, director of ISRA-CERAAS, Senegal, Md Monjurul Alam Champak and Chayan Kumar Saha, professors at the BAU, and TM Achadur Rahman, head of marketing at The Metal Pvt Ltd, were present.

China's economic gloom hangs over Japan's long-awaited recovery

REUTERS, Tokyo

Policymakers in Tokyo believe China's deepening economic woes could hit Japan's fragile recovery, especially if Beijing fails to shore up demand with meaningful stimulus, potentially delaying an exit from ultra-loose monetary policy.

China's downturn would leave Japan's export-reliant economy with little external support as aggressive Federal Reserve interest rate hikes cool growth in the United States, another key driver of global activity.

The risks from China will be among key topics of debate at the Bank of Japan's September policy meeting, say five sources familiar with the bank's thinking, and raise fresh questions about Governor Kazuo Ueda's efforts to wean the economy off the massive monetary stimulus of the past decade.

"What's happening in China is worrying and could deal a huge blow to Japan's economy," said one of the sources, who spoke on condition of anonymity due to the sensitivity of the matter.

"A downturn in China may diminish the chance of Japan achieving sustained wage growth," which is a crucial condition for phasing out monetary stimulus, another source said.

In a sign of growing pessimism over China, the government also said its monthly economic report for August that "concern over China's outlook" was among risks to Japan's recovery. "China is over," a senior Japanese government official told

Reuters on condition of anonymity because of sensitivity of the issue. "I think China will never return to 5 percent growth."

Having taken steps in July to make its ultra-loose policy sustainable, the BOJ is widely expected to keep monetary settings unchanged at its September 21-22 meeting.

While many Japanese policymakers expect China to avert a hard landing, thanks in some part to Beijing's recent support measures, the stakes for Japan are high.

China is Japan's largest trading partner, accounting for 20 percent of its exports, having replaced the United States in 2020. Exports to China fell 8.6 percent in the first half of this year as demand for cars, steel and electronics wilted.

Economists believe China's downturn could knock 1-2 percentage points off Japan's annual growth, fuelling fears of a prolonged slowdown in Asia's two biggest economies, which combined account for about a fifth of global gross domestic product.

China is also losing its appeal as a production hub for Japanese firms with some already reducing exposure to the country.

Komatsu Ltd, was among them. The world's No. 2 construction machinery maker has shifted some operations away from China, its chief executive Hiroyuki Ogawa told Reuters this week.

Ogawa said going forward Komatsu will "cut down on production capacity in a way to match actual demand in China."

Diplomatic tensions may also be a factor.

Suntory Holdings chief executive Takeshi Niinami warned China's economy is in an "extremely difficult" situation, which may be contributing to a rising backlash against Japan over the release of treated Fukushima water into the ocean.

Those bilateral strains could additionally dash hopes of a revival in Chinese tourists, delaying a broad-based recovery in Japan's service sector.

The risks from China heighten challenges for the BOJ in winding down its bond yield control, a key part of its monetary policy aimed at sustainably relating stagnant consumer demand.

"Exports to China had already been weak and headwinds to inbound tourism are clearly bad for Japan's economy," said Toru Suehiro, chief economist at Daiwa Securities. "All in all, it's hard to justify tightening monetary policy any time soon."

Japan's core inflation hit 3.1 percent in July, exceeding the BOJ's 2 percent target for the 16th straight month. Firms also promised wage hikes unseen in three decades this year, heightening the case for a retreat from decades of ultra-loose monetary policy.

While some BOJ policymakers began dropping hints of a near-term policy shift, Governor Ueda has stressed the need to wait until domestic demand and wage growth replace import costs as a key driver of consumer inflation.

Apparel shipment to US

FROM PAGE B1

expected record back-to-class shopping season," he said.

"Retail sales growth has been slowing, but July got a midsummer boost from special deal days offered by multiple retailers," said NRF Chief Economist Jack Kleinhenz.

The NRF in a statement last month said overall retail sales in July were up 0.7 percent from that in June and up 3.2 percent year-over-year.

Clothing and clothing accessory sales were up 1 percent month-over-month and up 0.9 percent year-over-year.

by American retailers and brands registered a 22.28 percent negative growth to stand at \$45.74 billion, it added.

The US work orders are dwindling now as the retailers and brands are not running like that during the pre-pandemic and pre-war era, said Kutubuddin Ahmed, chairman of Envoy Legacy, a leading garment exporter to the US.

However, there is a positive trend as retail sales are picking up and in July it grew by more than 3 percent, Ahmed said.

Denim will perform well in the US market in the future as the retailers

the US have increased by 12.99 percent year-on-year to \$3.26 per unit this year, said Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association.

FROM PAGE B1

"We are hopeful of bringing some green companies either to offload equity or at least to issue green bonds," he added.

The DSE held a number of meetings with the BGMEA, a platform of owners of the apparel industry, in this regard.

FROM PAGE B1

In the July-August period, the first two months of the current fiscal year, apparel shipments, which account for over 85 percent of national exports, grew by 12.46 percent year-on-year to \$7.99 billion, said EPB data.

FROM PAGE B1

At present 58 companies are listed in the textile category with the DSE. Of them, eight companies are categorised as junk stocks due to their lacklustre performance.



PHOTO: STAR/FILE

The drop in apparel shipment to the US has been recorded by other countries as well.

Among all other competing countries, Bangladesh's exports to the US fared comparatively better.

Garment shipment to the US from China, the world's largest apparel supplier, fell by 28.75 percent year-on-year to \$9.12 billion in the January-July period, according to the Office of Textiles and Apparel (OTEXA) under the US Department of Commerce.

Meanwhile, garment shipments to the US from Vietnam also declined by 24.76 percent to \$8.21 billion, it said.

and brands are coming up with work orders for denim items, he said.

Similarly, AK Azad, chairman and chief executive officer of Ha-Meem Group, which ships nearly 90 percent of its garment products to the US, said it would take the next six months for there to be a rebound in the US markets for the shippers.

It is expected that a significant quantity of the old unsold stock in stores will be sold off in the upcoming Christmas period, he said.

The good sign is that the prices of locally made garment items going to

So, at the end of this year the exports will witness a strong rebound to the US, Hassan said.

Mohammad Abdur Razzaque, research director of Policy Research Institute, said Bangladesh needs to rebuild its capacity as there was a possibility of the inflow of a huge volume of work orders from the US in the near future.

The energy and production capacity should be improved so the future work orders can be catered to as some countries are reducing their dependence on China, he said. The US markets may bounce back soon, he added.

Private sector credit growth drops

FROM PAGE B1

to save foreign currencies, whose reserves have declined by about 25 percent.

The senior banker also blamed the slower credit recovery for the decline in the availability of loanable funds.

Customers have adopted a wait-and-see approach centring the national election, he said.

"Businesses are also facing difficulties in importing raw materials and capital machinery

due to the ongoing US dollar crisis. A number of expansion projects have been deferred."

Md Shahidullah Azim, vice president of the Bangladesh Garment Manufacturers and Exporters Association, said business activities are squeezing so businesspeople are not interested in securing fresh bank loans.

"Export orders have fallen due to the volatility in the global economy."

Azim, also the managing director of Classic Fashion

Concept Ltd, said the inflow of US dollars has reduced significantly in recent times.

"This has negatively affected imports and thus production. After all, banks are very conservative in disbursing loans."

Salehuddin Ahmed, a former governor of the central bank, said the private sector credit growth falling to single digit is not a good indicator.

He warned that employment generation would not pick up if the

economy and the business sector stagnate.

According to the economist, banks are witnessing a fund crisis as people are holding more cash owing to a number of recent loan scams and a weighted average deposit rate that continues to be way lower than the inflation rate.

Cash outside the banking system soared to Tk 2,91,913 crore in June from Tk 2,55,829 crore in May, according to central bank data.