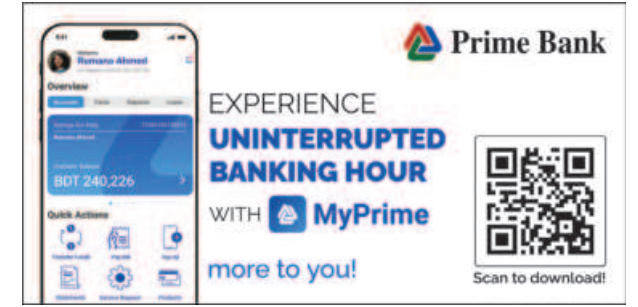


Star BUSINESS

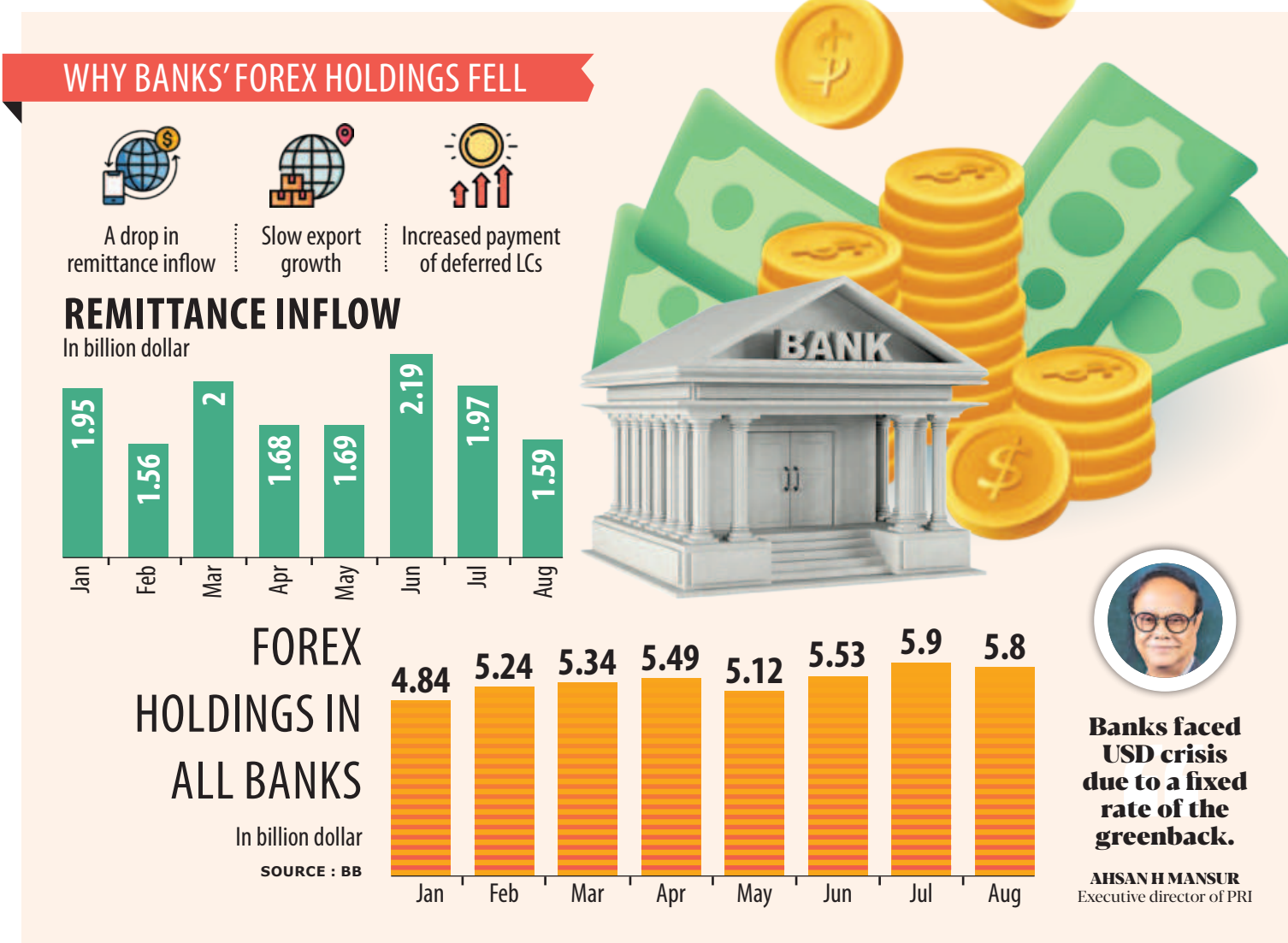


BATBC to build Tk 151cr warehouse

STAR BUSINESS REPORT
British American Tobacco Bangladesh (BATBC) has decided to invest nearly Tk 151 crore to construct a warehouse and set up ancillary facilities in its Savar factory. The tobacco company, in existence for the last 112 years in the country, is going to invest Tk 150.8 crore to enhance its capacity and improve productivity. The investment will be funded from internal sources and bank financing based on the cash flow of the company, said the BATBC in a disclosure that was posted in the Dhaka Stock Exchange website yesterday. The multinational tobacco producer will construct a bonded warehouse of factory specification building standards for the storage of wrapping material, leaf and finished goods at a cost of Tk 103 crore. Another Tk 24.5 crore will be spent for the electrical, fire detection

The investment will be funded from internal sources and bank financing based on the cash flow of the company

and protection system, air conditioning and ventilation system and IT and security system for the bonded warehouse, it said. It will also construct ancillary facilities at a cost of Tk 21.4 crore at the site for employee wellbeing, such as a mosque, canteen and training centre, and for factory services such as a waste management yard, fire station and equipment storage. The rest Tk 190 crore will be spent behind the construction of a concrete road and underground drainage system, the company said. The company got listed in 1977. Its paid-up capital is Tk 540 crore. Shares of the company remained the same at Tk 518 yesterday. The BATBC's gross revenue was Tk 21,229 crore in the first half of 2023. During the period, its profits amounted to Tk 949 crore. It was Tk 913 crore in the same period of the previous year, according to the financial report of the company.



Will Bangladesh benefit from trade in rouble?

MD MEHEDI HASAN

Russia has included Bangladesh on its list of friendly and neutral countries, a development that would allow its local banks and brokers to settle trade transactions in the rouble. The move is expected to provide a fillip to both countries, which are looking to cut their over-reliance on the US dollar. Russia has been gradually reducing its dollar holdings since the imposition of Western sanctions following Moscow's annexation of Crimea in 2014, and has sought to partially decouple from the Western financial system, according to a Reuters article. The switch accelerated since the outbreak of Russia-Ukraine war in February last year after the western economies slapped sanctions against Moscow. The sanctions include freezing of a sizable volume of foreign currency reserves held by Russia and the removal of major Russian banks from SWIFT, an international payment system used by thousands of financial institutions. Amid fast-depletion of the foreign currency reserves, Bangladesh has also been seeking to carry out international trade transactions in currencies other than

READ MORE ON B3



Forex holdings in banks fall in August

MD MEHEDI HASAN

Commercial banks witnessed a drop in foreign currencies last month from that in the preceding month mainly due to a sharp fall year-on-year in the inflow of remittance and a relatively small growth in export earnings. The gross foreign currency balance with the banks stood at \$5.80 billion in August, down from \$5.90 billion in July, as per the latest data of Bangladesh Bank. However, the amount recorded in August was up 16 percent year-on-year. The lowest figure recorded since fiscal year 2021-22 was in October last year, when the balance stood at \$4.50 billion. Last month, migrant workers sent home \$1.59 billion, down 21.5 percent year-on-year, in what has been the sharpest drop since April 2020, showed the BB data. Meanwhile, exporters earned \$4.7 billion, registering a 3.8 percent year-on-year growth. Industry insiders said the foreign currency balance of banks generally falls when remittance earnings fall and import payments increase.

The foreign currency balance of commercial banks is not a part of the country's foreign exchange reserve, they pointed out. The country's forex reserves stood at \$21.45 billion on September 21, owing to the demand for the US dollar being higher compared to the inflow. The reserves stood at a historical high of \$48 billion in August 2021. However, due to escalating import payments resulting from high commodity prices amid the Russia-Ukraine war, the reserves have been declining since May 2022. The sharp fall of remittance earnings was the major reason behind the decline in foreign currency with commercial banks, said Syed Mahbubur Rahman, managing director of Mutual Trust Bank. Another reason is that deferred payments of letters of credit are growing, he said. A chief executive of a private commercial bank seeking anonymity told The Daily Star that the drop in foreign currencies was nothing new as most of the banks were facing a crisis of the US dollar for the exchange rate

READ MORE ON B3

US wants govt action against counterfeit apparel exports

STAR BUSINESS REPORT

The United States has urged Bangladesh to take action to address the export of counterfeit clothing items from the second-largest garment supplier to the world's largest economy. The concerns were raised and discussed during the seventh round of the Trade and Investment Cooperation Forum Agreement (Ticfa) between Bangladesh and the US in Dhaka on September 20, according to a statement of the United States Trade Representative (USTR). Earlier, the USTR identified Bangladesh as one of the top five sources for counterfeit clothing items globally, a discredit that stakeholders have identified as a matter of concern. After the meeting, Senior Commerce Secretary Tapan Kanti Ghosh, who led the host side, told reporters that the visiting delegation requested Bangladesh to update the laws on intellectual property rights so that counterfeit goods are not exported to the US from the country. The Bangladesh side said intellectual property

The concerns were raised and discussed during the Ticfa meeting between Bangladesh and the US in Dhaka on September 20

rights are highly protected during trade. Still, if the affected American company lodges a complaint, the government will take necessary action, he said. The statement also called for labour reforms, as well as reforms for the policies impacting the investment climate, digital trade, intellectual property protection and enforcement, and bilateral cooperation in the agricultural sector. The US conveyed to Bangladesh that supporting workers' rights, including freedom of association and collective bargaining, is a top priority for the Biden-Harris administration. The US emphasised the importance of combatting violence against workers and union organisers, as well as anti-union discrimination and other unfair labour practices. The statement noted the ongoing review of potential amendments to the Bangladesh Labour Act and encouraged Bangladesh to extend freedom of association and collective bargaining to economic zones and export processing zones. The US also recognised that Bangladesh had undertaken some steps to address hurdles workers

READ MORE ON B3

STOCKS	
DSEX ▼	CASPI ▼
0.45%	0.36%
6,280.93	18,595.49

COMMODITIES		AS OF FRIDAY
Gold ▲	Oil ▲	
\$1,925.42	\$90.36	
(per ounce)	(per barrel)	

ASIAN MARKETS				FRIDAY CLOSINGS
MUMBAI	TOKYO	SINGAPORE	SHANGHAI	
▼ 0.33%	▼ 0.52%	▲ 0.06%	▲ 1.55%	
66,009.15	32,402.41	3,204.82	3,132.43	



Fishermen make use of empty wharves on the Karnaphuli river to spread out and repair their nets while taking up residence for days at a time in between unloading their catch at an adjoining fish landing station and taking preparations to go out to sea again. The photo was taken from Shah Amanat Bridge in Chattogram on Saturday.

PHOTO: RAJIB RATHAN

Minori, Emerald, Jamuna join hands to produce rice bran oil

STAR BUSINESS REPORT

Emerald Oil and Minori Bangladesh joined hands with Jamuna Edible Oil Industries to produce and sell rice bran oil in the local and Japanese markets. Emerald Oil and Jamuna Edible Oil will share the necessary working capital for the production process, which will be done at Jamuna's factory. They will also share the profits. Minori Bangladesh, an owner of Emerald Oil, will lend working capital in favour of Emerald Oil and provide technical know-how on exporting to Japan. Under the agreement, the production of rice bran oil of the companies will rise to 160 tonnes per day. Their sales will grow to Tk 900 crore annually. As a result, the profits of the two companies will be Tk 60 crore annually. Emerald Oil's annual profit will increase by Tk 30 crore as per the agreed profit-sharing ratio with Jamuna Edible Oil Industries. Yesterday, Emerald Oil's board of directors approved the partnership. After the board meeting, an agreement signing ceremony was held at the capital's Dhaka Regency Hotel & Resort.

Miya Mamun, chairman of Minori Bangladesh, Md Afzal Hossain, managing director of Emerald Oil, and Md Lutful Rahman, managing director of Jamuna Edible Oil, signed the agreement on behalf of their respective companies. At present, Emerald Oil is producing around 56-60 tonnes of rice bran oil per day. It will rise to 160 when Jamuna's production will be added, said Md Afzal Hossain, managing director of Emerald Oil. "We are targeting to sell products on the local market and export to Japan. Minori's inclusion in Emerald Oil will help us sell to Japan," Hossain added. Miya Mamun of Minori said it normally targeted agro-processing companies to enhance production. Considering the potential of the products, it bought a stake in Emerald Oil. Minori observed that Jamuna Edible Oil has the potential to produce large quantities of rice bran oil, which was the reason they opted for the partnership. "We will lend a fund to Emerald Oil at a low interest rate for investment in the working capital of Jamuna Edible. The banking rate is too high, which is not supportive of the agro-processing industry."

Islami Bank wins Muktadhara's 'Remittance Award'

STAR BUSINESS DESK

Islami Bank Bangladesh PLC won the "Remittance Award" from Muktadhara New York Inc for collecting the highest amount of remittance in Bangladesh.

Mohammed Monirul Moula, managing director and CEO of the bank, and Md Akiz Uddin, deputy managing director, received the award from AK Abdul Momen, minister for foreign affairs, at an award-giving ceremony in New York on Saturday, said a press release.

The award was presented during the closing session on the second day of the "Bangladeshi Immigrant Day and Trade Fair 2023", organised by USA-Bangladesh Business Link and Muktadhara New York Inc in association with the Federation of Bangladesh Chambers of Commerce and Industry and the Greater New York Chamber of Commerce.

Among others, Mashhur Rahman, economic affairs adviser to the prime minister, Atiur Rahman, former governor of Bangladesh Bank, Ziauddin Ahmed, convener of Bangladeshi Immigrant Day and Trade Fair 2023, and Bishwajit Saha, founder of Muktadhara New York Inc and chief coordinator of Bangladeshi Immigrant Day 2023, were present.



Mohammed Monirul Moula, managing director of Islami Bank Bangladesh, and Md Akiz Uddin, deputy managing director, receive an award from AK Abdul Momen, minister for foreign affairs, at an award-giving ceremony in New York on Saturday.

PHOTO: ISLAMI BANK BANGLADESH

Dollar up against major currencies

REUTERS, New York

The US dollar advanced against a basket of currencies on Friday as the latest batch of data on business activity from around the globe highlighted the superior position of the United States relative to other major economies.

S&P Global said its flash US Composite PMI index, which tracks the manufacturing and service sectors, dipped to a reading of 50.1 in September from a final reading for August of 50.2. September's result was barely above the 50 level that separates expansion and contraction.

Still, the US economy so far this year has defied projections for sliding into a recession that most economists had expected would be triggered by the Federal Reserve's aggressive interest rate increases aimed at quelling inflation.

The data comes on the heels of disappointing

The US dollar index was 0.2 percent higher at 105.6 after having risen as high as 105.78 earlier in the session

data from Europe, which showed that economic activity in France fell much more quickly than expected in September.

Separate survey data covering the whole euro zone showed that the economy likely contracted in the third quarter.

"The US is continuing to outpace the rest of the world and I think it will continue to do so for some time," Michael Brown, market analyst at Trader X, said of the US data.

"Unless we see a sustained pickup in growth in the rest of DM (developed markets), I struggle to take a bearish view on the buck over the medium-term, as the FX market's focus increasingly shifts to which central bank will spend the longest time at its terminal rate," Brown said.

The US dollar index - which measures the currency against six major counterparts - was 0.2 percent higher at 105.6 after having risen as high as 105.78 earlier in the session. That puts the index on pace for a weekly gain of about 0.3 percent, its 10th straight week of gains, its longest winning streak in nearly a decade.



Nazeem A Choudhury, deputy managing director of Prime Bank, and Constantinos S Gavriel, general manager of Le Meridien Dhaka, exchange signed documents of an agreement at the former's head office in Dhaka recently.

PHOTO: PRIME BANK

Prime Bank inks deal with Le Meridien Dhaka

STAR BUSINESS DESK

Prime Bank recently signed a strategic partnership with Le Meridien Dhaka.

Nazeem A Choudhury, deputy managing director of the bank, and Constantinos S Gavriel, general manager of the hotel, inked the deal, said a press release.

Under the deal, Visa and Mastercard platinum credit cardholders, World Mastercard credit cardholders and monarch (priority banking) customers of the bank will enjoy "Buy 1 Get 1 Free" service.

Apart from this, all cardholders of the bank will enjoy up to 15 percent discounts on restaurant, café and health club membership at the hotel.

Commercial Bank of Ceylon, Partex Furniture sign MoU

STAR BUSINESS DESK

The Commercial Bank of Ceylon PLC signed a memorandum of understanding (MoU) with Partex Furniture Industries Ltd, a furniture manufacturing company in Bangladesh.

Kapila Liyanage, deputy chief executive officer and chief operating officer of the bank, and Fakhruddin Ahmed, head of operations of the furniture manufacturing company, signed the MoU at the former's head office in Dhaka recently, said a press release.

Under the MoU, the bank will offer zero percent EMI facilities to CBC credit card cardholders.

Other senior officials from both the companies were present.



Kapila Liyanage, deputy chief executive officer and chief operating officer of the Commercial Bank of Ceylon, and Fakhruddin Ahmed, head of operation of Partex Furniture Industries, exchange signed documents of a memorandum of understanding at the former's head office in Dhaka recently.

PHOTO: COMMERCIAL BANK OF CEYLON

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (SEP 24, 2023)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 60-Tk 72	0	-2.22 ↓
Coarse rice (kg)	Tk 42-Tk 45	0	1.03 ↑
Loose flour (kg)	Tk 42-Tk 45	-11.22 ↓	-17.14 ↓
Lentil (kg)	Tk 105-Tk 110	10.26 ↑	5.91 ↑
Soybean (litre)	Tk 155-Tk 160	0	-9.22 ↓
Potato (kg)	Tk 42-Tk 45	11.54 ↑	64.15 ↑
Onion (kg)	Tk 70-Tk 80	-9.09 ↓	80.72 ↑
Egg (4 pcs)	Tk 48-Tk 50	-4.85 ↓	3.16 ↑

SOURCE: TCB

Oil ends week lower

REUTERS, Houston

Oil prices held steady on Friday but closed the week lower on profit-taking and as markets weighed supply concerns stemming from Russia's fuel export ban against demand woes from future rate hikes.

Brent futures settled 3 cents lower at \$93.27 a barrel. It fell 0.3 percent in the week, breaking a three week streak of gains.

US West Texas Intermediate crude (WTI) futures rose 40 cents, or 0.5 percent, to \$90.03 a barrel, as US oil rig counts fell. The benchmark fell 0.03 percent for the week, the first decline in four weeks.

"Investors are anticipating a slack in

demand coming into October as refineries go into maintenance and as a higher interest rate is going to further pressure markets," said Dennis Kissler, senior vice president of trading at BOK Financial, adding that there was also some profit taking.

The contracts have rallied more than 10 percent in the previous three weeks on concerns about tight supply.

US Federal Reserve officials warned of further rate hikes, even after voting to hold the benchmark federal funds rate steady at a meeting this week.

"Inflation is still too high, and I expect it will likely be appropriate for the (Federal Open Market Committee) to raise rates

further and hold them at a restrictive level for some time," Fed Governor Michelle Bowman said.

A potential further rise in energy prices, she noted, was a particular risk she was monitoring.

Higher interest rates increase borrowing costs, which could slow economic growth and reduce oil demand.

Meanwhile, Russia's temporary ban on exports of gasoline and diesel to most countries was expected to tighten supplies.

Russia's Transneft suspended deliveries of diesel to the key Baltic and Black Sea terminals of Primorsk and Novorossiysk on Friday, state media agency Tass said.

China cenbank adviser for structural reforms

REUTERS, Shanghai

China has limited room for further monetary policy easing, and it should pursue structural reforms such as encouraging entrepreneurs rather than counting on macroeconomic policies to revive growth, a central bank adviser said on Sunday.

Liu Shijin, a member of the People's Bank of China's (PBOC) monetary policy committee, told a financial forum in Shanghai that Beijing's room for monetary policy easing was limited by widening interest rate differentials with the US.

Fiscally, Chinese governments at various levels are under stress, he told the annual Bund Summit conference.

"If China continues to focus on macro policies in its efforts to stabilise growth, there would be more and more side effects," said Liu, vice president of the Development Research Center of the State Council.

"More importantly, we will again miss the opportunity for structural reforms."

China's post-Covid recovery has lost momentum amid weak consumption, falling exports and a deepening property debt crisis, and the economy is struggling despite a slew of monetary and fiscal measures to boost confidence.

Malaysia's medical tourism sector

FROM PAGE B4

The Association of Private Hospitals Malaysia president Datuk Dr Kuljit Singh (pic) said high-quality medical care at an affordable cost compared with other countries within the region is among the reasons for tourists

reaching the country's shores.

"Our doctors are well trained both locally and overseas, with English as the main language during treatment. Also, other costs like hotels and food are affordable with great service. They also enjoy other tourist

attractions while they are here," he told The Star.

TMC Life Sciences Bhd group chief executive officer Nadiyah Wan said the demand for healthcare services has increased post-pandemic following a significant increase in revenue that the group recorded between

2021 and 2022.

"Since the reopening of our borders, we have seen a positive uptake in international patients, particularly in the South-East Asia region," she said, adding that the group has also seen growth through its recent expansion into Vietnam.



Crude oil storage tanks are seen from above at an oil hub in Oklahoma.

PHOTO: REUTERS/FILE

Government of the People's Republic of Bangladesh
Local Government Engineering Department
Office of the Upazila Engineer
Kaliakoir, Gazipur
www.lged.gov.bd

Memo No. 46.02.3332.000.17.001.23/1121

e-Tender Notice No. 05/2023-2024 (OTM)

e-Tender are invited on the National e-GP System Portal (<http://www.eprocure.gov.bd>) for the Procurement of the following works under Kaliakoir Upazila of District Gazipur.

SL No.	Tender ID and Package No.	Name of work	Price of tender document (Tk)	Amount of tender security (Tk)
01	e-Tender ID: 874640, e-Tender/PEDP4/GAZ/KAL/2023-2024/W2-05794	Construction of additional classroom of NAYAPARA GPS under PEDP4.	2000.00	170000.00
02	e-Tender ID: 874641, e-Tender/PEDP4/GAZ/KAL/2023-2024/W14-03077	Construction of Boundary Wall & Gate of NAMASHULAI, SYEDPUR, JALOYAVITI RPS & KANCHANPUR GPS.	2000.00	165000.00

This is an online tender, where only e-Tenders will be accepted in the National e-GP Portal and no offline/hard copies will be accepted.

To submit e-Tender, registration in the National e-GP System Portal (<http://www.eprocure.gov.bd>) is required.

The fees for downloading the e-Tender documents from the National e-GP Portal have to be deposited online through any registered bank's branch up to **15 October 2023 at 16:00** and last date & time for tender/proposal security submission **16 October 2023 at 13:30**.

Further information and guidelines are available in the National e-GP System Portal and from e-GP help desk (<http://www.eprocure.gov.bd>).

Biplab Paul
Upazila Engineer
Kaliakoir, Gazipur
Phone: 02-9202054
ue.kaliakoir@lged.gov.bd

GD-1476

DSE index, turnover fall on news of US visa restriction

STAR BUSINESS REPORT

Bangladesh's stock market fell yesterday on the first day of trade after the US imposed a visa restriction.

The DSEX, the benchmark index of Dhaka Stock Exchange (DSE), stood at 6,280 at the end of the trading hours yesterday, dropping 28 points, or 0.45 percent, from that on the previous day of trade.

The blue-chip index of the bourse, DS30, fell 9 points, or 0.43 percent, to 2,136.

At the DSE, 12 stocks advanced, 148 declined and 150 remained unchanged. Turnover of the stock exchange fell 32 percent to Tk 500 crore.

A top official of a stock brokerage firm, preferring anonymity, said the drop of the stock market index was an impact of the US visa restrictions on the confidence of the investors.

On Friday, the US Department of State said it took steps to impose visa restrictions on Bangladeshi individuals responsible for, or complicit in, undermining the democratic election process in Bangladesh.

The policy mainly spooked the institutional investors over growing apprehensions that the political situation could deteriorate.

Following the imposition of floor price, the political uncertainty is drawing the confidence of investors, he said.

At the end of July last year, the Bangladesh Securities and Exchange Commission set the floor price of every stock to halt the free fall of the market indices amid global economic uncertainties.

So, the market index dropped. As the floor price has remained in effect, the index did not fall further, added the brokerage official.

Stocks of Agrani Insurance Company Limited dropped the most, by 11 percent, followed by Miracle Industries Limited (9.9 percent) and Tosriya Industries Limited (9 percent).

Trade of Fu-wang Foods Ltd stocks amounted to Tk 22 crore, the highest among all the stocks.

The CASPI, the main index of Chittagong Stock Exchange (CSE), fell 68 points, or 0.36 percent, to 18,595. Turnover of the CSE fell 66 percent to Tk 8 crore.



Mohammad Ali, managing director and chief executive officer of Pubali Bank, speaks during a product campaign event at the The Daily Star Centre in Dhaka yesterday. He said the bank had combatted the ongoing foreign currency crunch by introducing timely restrictions.

PHOTO: STAR

BSCCL to issue shares to govt at Tk 75 each

Against Tk 166 crore investment from the government

STAR BUSINESS REPORT

Bangladesh Submarine Cable Company Limited (BSCCL) is going to issue 2.21 crore ordinary shares worth Tk 166 crore to the government, which provided the fund as share money deposit when the second submarine cable was set up.

The relevant division of the government has given consent for the issuance of the ordinary shares in favour of the secretary of the posts and telecommunications division, said the state-run enterprise in a filing on the Dhaka Stock Exchange (DSE).

Each share will be valued at Tk 75. Of the sum, Tk 10 will be in the form of face value and Tk 65 in premium.

Shares of BSCCL closed unchanged at Tk 218.90 on the DSE yesterday.

Currently, the number of outstanding shares of the company available for trade on the premier bourse of the country is 16.49 crore.

The submarine cable company received Tk 140 crore from the government in the financial year 2015-16 under a project to install and establish the second submarine cable. In 2016-17, the company got Tk 26 crore for the same project.

The money was taken as equity with the condition that the amount would be converted into equity capital in favour of the posts and telecom ministry by issuing shares, said Md Abdus Salam Khan, company secretary of BSCCL, yesterday.

"So, the government is getting 2.21 crore shares."

Currently, the number of outstanding shares of the company available for trade on the premier bourse of the country is 16.49 crore

To set an appropriate share price, the government had appointed ICB Capital Management for an independent recommendation.

The fund from the government was used for the installation and establishment of the second submarine cable system (SMW-5) under the Regional Submarine Telecommunications Project.

The South East Asia-Middle East-Western Europe 5 (SMW-5) is an optical

fibre submarine communications cable system that carries telecommunications between Singapore and France.

BSCCL is the only company that connects the country with the global bandwidth network through undersea cables. It supplies 2,300 Gbps while the rest comes from India through seven international terrestrial cable service providers.

Bangladesh is a member of the South East Asia-Middle East-Western Europe 4 (SEA-ME-WE 4) consortium, the first undersea cable with which the country was connected in 2006. It supplies about 800 Gbps bandwidth.

The state-run entity supplies 1,500 Gbps through the SEA-ME-WE 5, for which the connection was established in 2017.

In Bangladesh, bandwidth usage surged to more than 4,800 Gbps in May this year from 1,000 Gbps before the coronavirus pandemic, driven by a jump in consumption during the health-related crisis, which forced people to turn to internet to work, study and find entertainment at home.

The company is set to receive 13,200 Gbps from the third undersea cable, SEA-ME-WE 6, by 2025.

Timely steps alleviate forex crunch of Pubali Bank

Its MD says

STAR BUSINESS REPORT

Pubali Bank Limited has successfully dealt with the ongoing foreign currency crunch courtesy of timely restrictions on the import of luxurious items, foreign fruits and ornaments, said the top official of the private commercial lender.

"To overcome the foreign currency crunch, we took some decisions. And we were strict," said Mohammad Ali, managing director and chief executive officer of the bank.

"We did not allow the opening of letters of credit (LCs) for luxurious cars, foreign fruits, imitation ornaments, cosmetics, etc."

Ali added that the bank had only allowed the imports of dates in Ramadan.

"As a result, we have saved some dollars."

Ali made the comments yesterday at a product campaign event at the AS Mahmud Seminar Hall at The Daily Star Centre. He added that the bank had also combated non-performing loans (NPLs), which stood at 54 percent in 1985.

"In the last month, we had only 2.12 percent NPLs. It was 2.6 percent in December last year."

Despite the global situation, the bank's operating profit has grown over 25 percent, he added.

Around 9,000 employees work for the bank.

"We have endeavoured to build an ethical and safe banking system. This achievement reflects our commitment to good governance and relentless growth," he added.

"One of the partners in our success is our valued customers. Pubali Bank's experience, values, and ethics motivate us to make decisions based on the best interest of the customers."

Pubali Bank also inaugurated an ATM booth near The Daily Star Centre.

BTMA president re-elected unopposed

STAR BUSINESS REPORT

Mohammad Ali Khokon, chairman of Maktsons Group, has been re-elected unopposed as the president of Bangladesh Textile Mills Association (BTMA) yesterday for the 2023-25 tenure.



Abul Bashar, chairman of the election commission, announced the name of the president, three vice-presidents and 23 directors who were elected unopposed, the BTMA said in a statement.

Three vice-presidents are Md Fazlul Hoque from the yarn manufacturing category, Md Fayazur Rahman Bhuiyan from the fabrics manufacturing category and Md Saleh Zaman Khan from the dyeing printing category.

BGMEA demands fair price from buyers

STAR BUSINESS REPORT

The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) yesterday urged members of Action, Collaboration, Transformation (ACT) for fair pricing and ethical sourcing of garment items from Bangladesh.

The BGMEA made the demands in a letter sent to ACT, a joint initiative between 19 international garment brands and retailers and IndustriALL Global Union which aims to support the development of living wages in the RMG sector.

BGMEA President Faruque Hassan made the

statements in a letter in reply to a letter ACT had sent the BGMEA last week.

In the letter, Hassan said international retailers and brands should pay a fair price, considering the workers' standard of living, cost of living and inflation.

"Therefore, we would urge you to engage with global brands, retailers and their representatives, urging them to be more empathetic and rational on pricing and sourcing practices," Hassan said.

Hassan said they had been working relentlessly to improve skills and efficiency among workers. Such initiatives should have broader collaboration so that workers become

more empowered and add more value to their factories, he said.

The Minimum Wage Board for garment workers is reviewing the current minimum wages. The board has already held several meetings and is currently consulting with different stakeholders. They are visiting factories and discussing with workers and owners.

"I believe a new minimum wage will be declared before the end of this year. There will be a rational adjustment if we look at the trend of previous reviews as well as the aggregate inflation over the past five years," he said.

"In fact, in today's

world there is no respite from inflation, be it in Bangladesh or any country around the world. Moreover, you may know that since 2013 the minimum wage gazette makes it mandatory to give a 5 percent annual increment on base wage (which increases after adding other allowances)," he added.

"So their wages are increasing automatically every year. The Minimum Wage Board is an independent body, with equal representation from workers, owners and independent groups. It works independently, so it's difficult for me to speculate about the hike in wage."

Forex holdings in banks fall in August

FROM PAGE B1

Foreign Exchange Dealers Association (Bafeda) and the Association of Bankers, Bangladesh (ABB) have been fixing the US dollar rate since last year as per unofficial directives of the central bank.

On August 31, they decided to buy the US dollar at Tk 109.50 and sell them at Tk 110 from the first working day of this month.

The chief executive of the private bank said they

are not getting the US dollar at the Bafeda-ABB fixed rate because the korb market was offering a higher rate.

The country's banks are facing a crisis of the US dollar as the exchange rate has been fixed, said Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh.

Remittance and export earnings are the two main sources of the US dollar but both are not doing well now, said the economist.

US wants govt action

FROM PAGE B1

face when registering unions and stressed the importance of ensuring a simplified and impartial trade union registration process that allows applications to be registered within the legal timeframe.

Additionally, the US urged Bangladesh to dedicate more resources to labour inspections and enforcement.

The statement appreciated the government of Bangladesh's consistent dialogue over the past year on the development of the Data Protection Act (DPA).

Both sides affirmed their commitment to the protection of personal data and ensuring that Bangladesh's digital sector continues to thrive.

The US welcomed the latest draft of the DPA, which incorporated improvements from earlier versions, including the removal of criminal penalties, restricting the scope of the DPA to personal data, and limiting application to firms that process personal data within the territory of Bangladesh.

It applauded

Bangladesh's actions aimed at removing the long-standing cotton fumigation requirement for American cotton exports and for revising the seed law to reduce the number of years a company needs to hold a seed dealer licence.

The US and Bangladesh cooperated on agricultural biotechnology dialogue and look forward to deepening their engagement this year, the statement said.

Both countries recognised the importance of the protection and enforcement of intellectual property (IP) to protect innovation across economies.

The US also reiterated its interest in engaging with Bangladesh on the ongoing processes for amendments to IP-related laws and regulations, including the Copyright Act Amendments, the Industrial Designs Act, the Patent Bill, and implementing regulations and IPR enforcement (import and export) rules.

The next TICa Council meeting will take place in Washington DC in 2024.

Will Bangladesh benefit from trade in rouble?

FROM PAGE B1

the US dollar. It has already started doing so with India in the rupee.

But the same might not be possible in the case of Russia at present since the country's rouble holding is negligible, according to economic experts and bankers.

A senior official of the central bank, seeking anonymity, told The Daily Star that Bangladesh banks will now be able to trade in the rouble in two ways.

One of the ways is that the central bank may announce the rouble as a convertible currency. Another way is for local banks to perform bilateral trades in the Russian currency on a one-to-one basis, he informed.

Currently, local businesses are allowed to settle their foreign trade in eight currencies:

the US dollar, Canadian dollar, Australian dollar, Singaporean dollar, the euro, the pound, Swiss franc and Chinese yuan.

On a one-to-one basis, the central bank of Bangladesh can select one or two local banks and Russia will have to select one or two of its banks. The selected banks then will be able to trade in the currency.

On July 11, Bangladesh and India started to trade in the rupee on a one-to-one basis.

But because of the war-related western sanctions on Russia, Bangladesh's trade with the country has already been affected.

Soon after the war broke out, SWIFT asked Bangladesh's banks to suspend transactions with seven Russian lenders since

they were facing sanctions from the United States and the European Union over Moscow's invasion of Ukraine.

As a result, local banks have been unable to do business with the Russian lenders either directly or through a third party.

The sanctions hit Bangladesh's growing bilateral trade with Russia.

Two-way trade between Bangladesh and Russia was worth more than \$1 billion before the conflict, with exports from Bangladesh standing at \$665 million in the fiscal year of 2020-21.

Bangladesh's exports to Russia slipped to \$460.39 million in the last fiscal year from \$638 million in 2021-22.

Syed Mahubur Rahman, managing director of Mutual Trust Bank, said: "There is

no scope to benefit from the trade in the rouble because we have no export earnings in the currency."

He said that exporters and importers are not interested in carrying out trades in the Chinese yuan despite it being a convertible currency.

"Why will then they trade in the rouble?"

Most of the exports to Russia are taking place through third countries, meaning Bangladesh is not getting the rouble as export proceeds, industry people say.

Around 90 percent of foreign trade in Bangladesh is conducted through the US dollar while the rest is through other foreign currencies, bankers said.

Although the use of other currencies continues to rise, the growth is not

Advertisement

BIOXIN brings premium BIO-HYDRA facial technology

BIOXIN Cosmetics brought premium BIO-HYDRA facial technology for the first time in Bangladesh. State-of-the-art BIO-HYDRA technology consists of four specialized handpieces. As a result, it is possible to maintain the cleanliness and vitality of the skin according to the customer's needs, the company said.

Zahedul Hoque, CEO of BIOXIN introduced the new technology in the presence of social media influencers at the head office of BIOXIN in Mirpur of the capital on Saturday. General Manager of Eunsung Global Corp. Mr. Tony Won, Trainer Ms. Youna Yang, and many popular celebrities are also present there.



A farmer applies fertiliser to his vegetable patch in Gorokmandal village in Kurigram's Phulbari upazila. Farmers expressed frustration as the essential farming component is being sold at Tk 4-5 more than the government-fixed price, raising concern that prices may balloon further if demand rises. The photo was taken recently. PHOTO: S DILIP ROY

N Mohammad Group defers expansion plan till 2025

Blames high raw material prices, costly dollar

JAGARAN CHAKMA

Mohammad Plastic Industry Limited, a concern of Chattogram-based N Mohammad Group, has deferred its Tk 500 crore expansion plans by around two and a half years citing construction materials and the US dollar turning costlier.

As per an August 2021 land lease agreement with Bangladesh Economic Zones Authority, three factories were to be set up inside Bangabandhu Sheikh Mujib Shilpa Nagar to initiate commercial production of plastic products from June 2022.

The company has already developed the site on 10 acres of land at Chattogram's Mirsarai alongside factory designs spending over Tk 60 crore.

"...but suddenly the price of construction materials increased (since October 2022) when we started to construct the factory," said Managing Director Mohammad Nazrul Hoque.

"Against this backdrop, we were compelled to postpone construction work and investment will go up, which is an impact of the Russia-Ukraine war," he said.

Now the plan is to start the construction work from next February as the price of the dollar is gradually becoming stable, he said.

The investment will definitely need to be increased by at least 25 percent to 30 percent as per primary estimates, he said.

"...we are committed to going into commercial production by January or

February 2025," added Hoque.

Currently the company manufactures around 1,500 types of household items such as wood plastic composite doors, boards, pipes and fittings alongside furniture.

The new units will produce flexible or plasticised polyvinyl chloride (PVC) furniture and doors, high density polyethylene pipes and fittings, wood plastic composites, flexible packaging and moulds for the domestic market.

According to Hoque, they will be able to provide import substitutes of packing raw materials and moulds for local footwear industries and ensure exports as well.

The value of their annual exports to India, Japan and the Middle East has gone down to around \$22 million last fiscal year from an average of \$24 million, he said.

Their average annual turnover from local sales is around Tk 600 crore but business is slow at the moment due to inflationary pressure and economic uncertainties, he added.

Around Tk 40,000 crore worth plastic items are annually sold in Bangladesh, undergoing a growth of about 20 per cent every year, according to the Bangladesh Plastic Goods Manufacturers and Exporters Association.

Products manufactured in the country can be broadly listed under 142 categories, of which intermediate products like film plastic, household items and garment accessories are mainly exported.

Exporters' dollar retention limit lowered again

STAR BUSINESS REPORT

The Bangladesh Bank has once again lowered the US dollar retention limit that exporters have to maintain in their foreign currency accounts from the shipment proceeds as Bangladesh continues to face the shortage of the American greenback.

Traders are allowed to keep a portion of their earnings in the export retention quota (ERQ) accounts to settle back-to-back letters of credit liabilities without facing exchange losses.

For example, merchandise exporters are entitled to a foreign exchange retention quota of 60 percent of repatriated FOB (free on board) value of their exports.

For the shipment of goods having a high import content like products such as naphtha, furnace oil and bitumen, garments made of imported fabrics and electronic goods, the retention quota is 15 percent, according to the central bank guideline of 2018.

Exporters of software, data entry and processing and other ICT-related services may retain 70 percent of net export earnings.

But in July last year, the BB asked banks to encash 50 percent of the balance held in the ERQ accounts immediately.

It also ordered them to revise

downwards the retention limit from 15 percent, 60 percent and 70 percent to 7.50 percent, 30 percent and 35 percent, respectively.

The tenure of the reduced limit ended on December 31, meaning the cap went back to the previous level from January 1 since no order was issued by the central bank immediately.

Yesterday, the central bank brought down the limit to 7.5 percent, 30 percent, and 35 percent, again. This time, the central bank, however, has not said how long its latest instruction would remain in place.

In July of 2022, the BB had said the retention of foreign currencies in such accounts for a longer period without using them is a cost to exporters since deposits in the taka bear adequate yield.

The latest move from the BB comes as the country continues to witness the forex shortage owing to the depletion of the forex reserves amid higher import bills against lower-than-expected remittance and export receipts.

Thus, the forex reserves came down to \$21.45 billion on September 21.

A central banker yesterday said if exporters keep a lower amount of export proceeds in the ERQ accounts, the liquidity in the banking system improves.

Traders are allowed to keep a portion of their earnings in the export retention quota accounts to settle back-to-back letters of credit liabilities without facing exchange losses

China seeks energy partnership with Arab states

ANN/CHINA DAILY

China is willing to work with Arab states to build a strategic energy partnership featuring mutual benefits and long-term friendship and explore the possibility of a renminbi settlement for oil and gas trade, a senior Chinese official said on Thursday during the sixth China-Arab States Expo.

China will join hands with Arab states to develop a new framework for multi-dimensional energy cooperation, said Zheng Jianbang, vice chairman of the Standing Committee of the 14th National People's Congress, at the event's opening ceremony in Yinchuan, Ningxia Hui autonomous region.

China will further promote the "oil and gas plus" cooperation model, expand oil and gas cooperation regarding upstream field development, engineering services, storage, transportation and refining, and advance clean, low-carbon and green cooperation with Arab states, as part of the efforts to maintain the security and stability of the global energy supply chain, Zheng said.

Fed official calls for more rate hikes

AFP, Washington

The US Federal Reserve has more work to do to tackle high inflation despite making "considerable" progress in the last 18 months, a senior bank official said Friday.

Earlier this week, Fed officials unanimously voted to hold interest rates at a 22-year high while indicating they expect another hike will be needed to bring inflation down to the US central bank's long-term target of two percent.

The decision postponed additional pain for millions of Americans already struggling with the impact of the Fed's existing hikes on mortgages and other loans.

Although the Fed has made "considerable progress on lowering inflation," it remains "too high," warranting further action, Fed Governor Michelle Bowman told a conference in Colorado, according to prepared remarks.

"I continue to expect that further rate hikes will likely be needed to return inflation to two percent in a timely way," she added.

Bowman said it would be appropriate for the Fed's rate-setting committee to hold interest rates "at a restrictive level for some time," in order to bring inflation down to target, mirroring the Fed's forecast of just two interest rate cuts next year.

UK consumers most optimistic since early 2022

REUTERS, London

British consumers are their most optimistic since the start of 2022 as they turn more hopeful about the economy with inflation on the wane and wages growing, a survey showed on Friday.

The GfK consumer sentiment indicator rose for a second month in a row to -21 in September, the highest since January last year, from -25 in August although it remained below the average of -10 for the survey, which has been running since 1974.

Economists polled by Reuters had forecast a fall to -27.

"While this month's improved headline score is good news, it's important to note many households are still struggling with the cost-of-living crisis and that economic conditions are tough," Joe Staton, GfK's client strategy director, said.

"The reality is that consumer confidence remains suppressed, and the financial mood of the nation is still negative."

Households' expectations for their personal financial situation over the coming year edged up to -2 to -3. A year ago, the reading stood at -40 after energy prices soared.

Malaysia's medical tourism sector alive and well

ANN/ THE STAR

Medical tourists are returning to Malaysia in full force and are expected to surpass the pre-Covid-19 pandemic level in 2019 thanks to the reopening of borders, quality healthcare and competitive pricing.

The top countries of origin for these travellers include Australia, Bangladesh, China, India, Indonesia and Japan.

Based on data provided by the Malaysia Healthcare Travel Council (MHTC), the number of healthcare travellers showed an increasing trend, reaching a peak of 1.22 million individuals in 2019.

However, there was a significant decline in 2020, with only 689,000 healthcare travellers recorded. This downward trend continued in 2021, with the number further decreasing to 561,000.

The figure picked up to 850,000 last year, contributing RM1.3bil in revenue to the country.

Among the top treatments sought after in the country are general health screening, cardiology, fertility, oncology and orthopaedics, including medical and surgical related as well as cancer treatments.

"The industry is projected to make a full recovery, potentially setting a record high for industry achievement," said acting CEO Farizal Jaafar, adding that in the first half of this year, Malaysia's healthcare travel industry recorded a revenue of over RM900mil.

"The healthcare travel industry is well on its way to achieving post-pandemic recovery, having reached 76 percent of its pre-pandemic performance of RM1.7bil in 2019," he added.

READ MORE ON B2



Self-propelled electric vehicles move through the factory floor during a demonstration of its new assembly line technology at Toyota Motor's Motomachi Plant in Toyota, central Japan. PHOTO: TOYOTA HANDOUT VIA REUTERS

Toyota to speed up EV production

REUTERS, Tokyo

Toyota Motor will speed up production of electric vehicles of its Toyota and luxury Lexus brands, the Nikkei newspaper reported on Friday.

The Nikkei report said the Japanese automaker was likely to step up production of battery-powered vehicles over the coming years to reach annual output of more than 600,000 vehicles in 2025.

Toyota declined to comment on the report.

The company has previously said it targets sales of 1.5 million EVs annually by 2026 and 3.5 million, or about one-third of current global volume, by 2030.

Toyota last year sold fewer than 25,000 EVs, including of its Lexus brand, worldwide.

It sought to raise EV production to about 150,000 vehicles in 2023 and gradually increase it further to the 190,000-vehicle range next year, Nikkei said.