

Star BUSINESS

Jute growers in Bangladesh are facing deepening woes as prices of the natural fibre have been in a downward slide



Story on B4

Disbursement of foreign loan falls 14%

STAR BUSINESS REPORT

Although the country saw a huge year-on-year rise in the amount of foreign loans pledged from abroad in the first two months of the current fiscal year, their disbursements have dropped, showed government data.

Meanwhile, debt repayment increased by 38.2 percent.

Around \$73.90 crore of foreign loans was disbursed in the July-August period of fiscal year 2023-24, down 14.48 percent, according to data published by Economic Relations Division (ERD) recently.

As for the commitments, it was for \$114 crore, which is a massive increase of 275 per cent. Simultaneously, Bangladesh paid back \$40.05 crore to development partners.

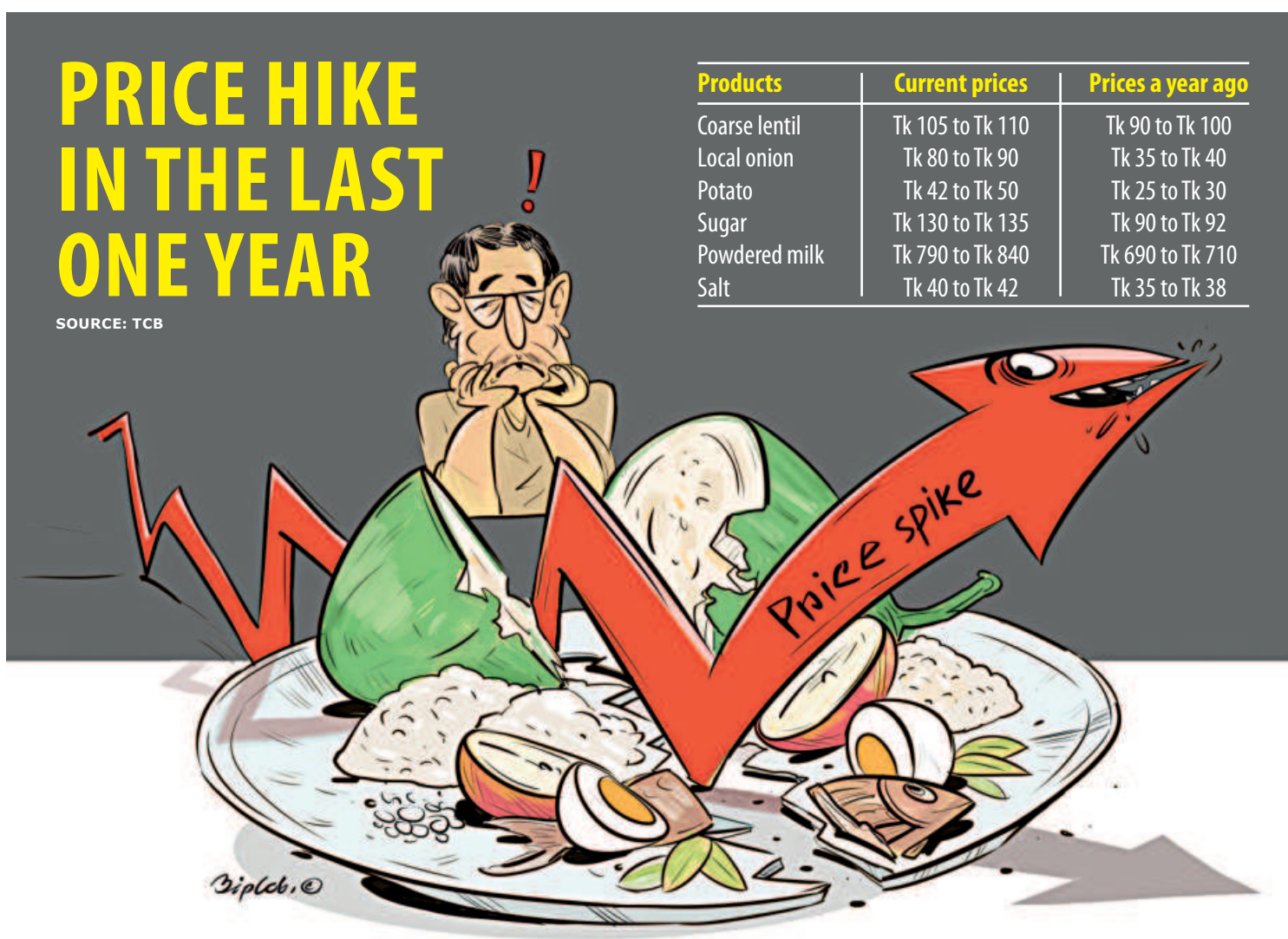
Project approvals and implementation alongside loan processes are usually sluggish at the beginning

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PRICE HIKE IN THE LAST ONE YEAR

SOURCE: TCB

Products	Current prices	Prices a year ago
Coarse lentil	Tk 105 to Tk 110	Tk 90 to Tk 100
Local onion	Tk 80 to Tk 90	Tk 35 to Tk 40
Potato	Tk 42 to Tk 50	Tk 25 to Tk 30
Sugar	Tk 130 to Tk 135	Tk 90 to Tk 92
Powdered milk	Tk 790 to Tk 840	Tk 690 to Tk 710
Salt	Tk 40 to Tk 42	Tk 35 to Tk 38



How long can fixed-income groups cope with higher inflation?

SUKANTA HALDER and MD ABU TALHA SARKER

The cost-of-living crisis has kept stressing out fixed and lower-middle-income groups in Bangladesh as inflation has persisted at elevated levels while their salaries and incomes have seen little upward adjustments.

The continuous erosion of the purchasing power has forced some to cut consumption, slashed the monthly budget set aside for groceries, pushed more people into side hustles, and compelled some to dip into their savings and transfer less money to their parents.

Kamrul Hasan Nayem, a resident of Dakshinkhan in Dhaka, says expenses have increased by more than 30 percent in the past one year but the salary has not been adjusted proportionately.

So, the official of an IT firm has been freelancing for more than a year on weekends to bear the additional expenditures.

Nayem and his three-member family used to go on a vacation two or three times annually. But the family has gone on holidays just once in the last two years.

Rezaul Karim, a senior medical promotion officer at a pharmaceuticals company

who lives in Chattogram, says he could save a portion of his income a year ago. "Now, I can't save a single penny."

A year ago, the family spent Tk 200 to buy vegetables for a week and now the same cost Tk 500.

Karim used to buy fruits worth Tk 3,000 for his children every month. Now the budget has been cut in half.

He is the breadwinner of a family of four, including two daughters. Many of the wishes of his children can't be fulfilled now, a situation that leaves Karim dejected as a father.

Like Nayem and Karim, there are hundreds of thousands of people in Bangladesh who are struggling to make ends meet amid the higher cost-of-living.

In Bangladesh, inflation has accelerated in the past year and a half owing to a mixture of external and internal factors such as higher commodity prices fuelled by the Russia-Ukraine war.

Food inflation rose 12.37 percent in September, the second successive month it has been above 12 percent. And it was nearly three percentage points higher than the rate seen in the same month a year before.

Non-food inflation stood at 7.82

percent.

This means almost everything has become expensive, which has forced people to bring changes to their consumption habits in order to survive.

A recent surge in inflation eroded consumer purchasing power, contributing to a deceleration in estimated private

percent.

In an unprecedented event, the price of a dozen farmed brown eggs matched that of one kilogramme of broiler chicken in the middle of August.

Owing to higher prices, Mahbub Ali, a seller of rod and cement in Mirpur, has stopped going to the kitchen market

living in the village home since joining the factory in 2021.

"Now I can send Tk 2,500 to Tk 3,000. The rest of the money comes from my elder brother and sister."

In January, the financial hardship forced Hossain to discontinue regular payments to the deposit pension scheme and withdraw the money.

Mozammel Hosen, a teacher of a non-government high school in Sirajganj, said that he planted saplings of papaya, pepper and gourd in his yard one and a half years ago so that he does not need to buy vegetables from the markets.

"And I didn't purchase any pepper from the market when it was selling at Tk 700 to Tk 1,200 a kilogramme across the country."

Hosen has a patch of land that he has given to a sharecropper, who cultivates sugarcane, mustard and potatoes.

"As a result, I don't have to purchase potatoes, mustard oil and jaggery. I can use them round the year."

There are also inflation-hit consumers who have switched to cheaper alternatives or stopped spending on non-essentials such as like eating out.

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Fishermen cast a massive net of 150 feet by 525 feet on the Arial Khan river, earning around Tk 1 lakh going out to catch fish for around 15 days a month. The photo was taken at Mirganj area of Barishal's Babuganj upazila recently.

PHOTO: TITU DAS

IMF mission unimpressed with NBR's collection plan

STAR BUSINESS REPORT

The visiting mission from the International Monetary Fund was not fully convinced with the plans laid out by the National Board of Revenue on accelerating the tax collection to raise the tax-to-GDP ratio by 0.5 percentage points in the current fiscal year.

At a meeting at the NBR headquarters in Dhaka yesterday, officials of three wings of the NBR — income tax, customs and value-added tax (VAT) — shared the measures initiated to attain the revenue collection target in line with IMF's condition attached with the \$4.7 billion loan extended to the government in January.

This includes collection of arrears of customs and income taxes, hikes of import tariffs against items such as cashew nut and fragrant rice, restructuring of taxation of cigarettes, removal of exemption of VAT on mobile phones, polypropylene staple fibres, ballpoint pens, software and LPG cylinders, and imposition of taxes on tobacco products.

Taxmen said the hike in rates of taxes on land registration, travel, tobacco and environmental surcharges and the minimum tax will expand the tax net.

In response, the delegation of the multilateral agency did not agree that the plan on the collection of arrears will ensure sustained revenue receipts.

They inquired about the structural measures that the NBR is taking to boost revenue collection and increase the tax-to-GDP ratio, one of the lowest in the world.

The mission sought quarter-wise breakdowns of revenue collection plans and wanted to know about the steps on how the revenue will be collected, said officials.

As such, the IMF officials are expected to meet the officials of the three wings of the NBR

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STOCKS	
DSEX ▼	CASPI ▼
0.01% 6,261.7	0.10% 18,531.90

COMMODITIES	
Gold ▼	Oil ▼
\$1,822.54 (per ounce)	\$83.29 (per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▲ 0.62% 65,631.57	▲ 1.29% 31,075.36	▲ 0.24% 3,155.10	▲ 0.10% 3,110.48

Private coal power plants to avail tax exemption till 2039

AKANDA MUHAMMAD JAHID

The National Board of Revenue (NBR) has relaxed rules to extend the income tax exemption facility to private coal-fired power producers by 15 years if they start electricity generation by June 30 next year.

Earlier, the NBR offered the exemption to the producers that could begin producing electricity by June 30 this year.

The extension comes following recommendations from the power, energy and mineral resources ministry as most of the power plants failed to go into production by the deadline, said a senior official of the NBR.

Producers that signed agreements by June 30, 2020 to establish power plants will qualify for the tax waiver for 15 years from the start of the commercial operation.

And the exemption can be enjoyed until June 30, 2039, according to a notification of the NBR issued on October 3.

The revenue board will also exempt income tax of foreign employees employed at the plants for three years.

The concession will also be applicable for the interest payable on foreign loans

secured by the companies, the expenditures used to pay royalties and technical know-how and technical assistance fees as well as the profits earned from transferring the shares of producers.

In another notification on June 19, the NBR extended a tax holiday by 12 years on the income for the plants other than privately-run coal-fired power units. However, they will have to begin producing electricity before June 30 next year.

The extension comes following recommendations from the power, energy and mineral resources ministry

The extension will give them tax exemption until 2036.

The tax break has been offered since 2011 to support the government's goal of expanding the country's energy production capacity.

Installed capacity totalled 27,834 megawatts last month, more than five times higher than the 4,942 MWs in 2009, data from the power division showed.

Kohinoor Chemical Company organises sales confce

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Kohinoor Chemical Company (Bangladesh) Ltd recently organised the "Annual Sales & Marketing Conference-2023" in Cox's Bazar.

Rezaul Karim, managing director of the company, inaugurated the conference at the Hotel Sea Palace Ltd, said a press release.

The company awarded the top performing employees of the sales and marketing division for the financial year 2022-2023.

The award-winning employees received complimentary gifts from the company. A cultural programme and raffle draw were held after the conference.

MA Khair, director for corporate affairs, and M Ziaul Haliz, executive vice-president for sales and marketing, along with executives of the sales team from the head office were present.



Rezaul Karim, managing director of Kohinoor Chemical Company (Bangladesh), attends an "Annual Sales & Marketing Conference-2023" at the Hotel Sea Palace in Cox's Bazar recently. PHOTO: KOHINOOR CHEMICAL COMPANY



Hasan Sharif Ahmed, executive vice-president of City Bank, receives an award from Steven Beck, head of trade and supply chain finance of the Asian Development Bank, in the 9th award ceremony of the "Trade and Supply Chain Finance Programme (TSCFP) Awards 2023" in Singapore recently. PHOTO: CITY BANK

City Bank wins ADB award

STAR BUSINESS DESK

City Bank has been named the "Leading Partner Bank in Bangladesh" in the "Trade and Supply Chain Finance Programme (TSCFP) Awards 2023" organised by the Asian Development Bank (ADB).

The award came in recognition of City Bank being the most active partner bank, measured by the number of trade finance transactions recorded in Bangladesh in collaboration with the ADB in the last fiscal year.

This is the fifth consecutive year that the bank has been honoured with the 'Leading Partner Bank' accolade.

Hasan Sharif Ahmed, executive vice-president and the head of financial

institutions of City Bank, received the award from Steven Beck, head of trade and supply chain finance of the ADB, in the ninth ADB TSCFP award ceremony in Singapore recently, said a press release.

City Bank has been participating under ADB's TSCFP programme as an issuing bank since 2016.

Under their TSCFP programme, the ADB provides guarantees and trade loans to partner banks supporting international trade.

The TSCFP works with 82 banks in ADB's developing member countries in Asia and the Pacific.

A total of 16 banks in Bangladesh are members of the programme.

ULAB, PR assoc hold workshop

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The University of Liberal Arts Bangladesh (ULAB) and the Bangladesh Public Relations Association (BPRA) jointly organised a workshop on "PR in the Digital Era: How PR Professionals Can Transform" at the former's Dhanmondi campus in Dhaka recently.

Prof Jude William Genilo, pro vice-chancellor of ULAB, attended the workshop, where Justin Green, a global PR expert and president and CEO of Global Alliance, presented a keynote, said a press release.

Green emphasised the role of digital platforms in public relations and the prevalent significance and future of PR in various countries worldwide.

Around 80 PR professionals from different organisations attended the event. Among others, Bazlul Haque Rana, president of BPRA, and Md Moniruzzaman Tipu, secretary general, were present.



Global PR expert Justin Green, president and CEO of Global Alliance, attends a workshop on "PR in the Digital Era: How PR Professionals Can Transform" jointly organised by Bangladesh Public Relations Association and the University of Liberal Arts Bangladesh at the latter's Dhanmondi campus in Dhaka recently.

German exports disappoint again

AFP, Frankfurt

German exports fell more than expected in August, official data showed Thursday, adding to signs that Europe's biggest economy has fallen back into recession.

Exports totalled 127.9 billion euros (\$134.5 billion), a decline of

1.2 percent on the previous month, according to figures from federal statistics agency Destatis.

Analysts surveyed by FactSet had predicted a smaller dip of one percent.

Imports were down 0.4 percent compared with July, totalling 111.4 billion euros.

The country's trade surplus -- the difference between exports and imports -- rose slightly to 16.6 billion euros.

"Like the rest of the German economy, exports remain stuck in the twilight zone between recession and stagnation," said ING bank economist Carsten

Brzeski.

The August disappointment was led by a 2.6-percent fall in exports to fellow eurozone countries.

Shipments to the United States, the top destination for "made in Germany" goods, dipped by 1.3 percent month-on-month.

North-West Power Generation Company Ltd.
ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018 Certified
(An Enterprise of Bangladesh Power Development Board)

Office of the Plant Manager (Superintending Engineer)
Sirajganj 225 MW Combined Cycle Power Plant (Unit-1)
Soydabad, Sirajganj.

Ref: 27.28.8878.101.07.001.19.284 Date: 05/10/2023

e-Tender Notice

The following e-Tenders have been invited in the National e-GP System Portal (www.eprocure.gov.bd):

Sl. No.	Tender ID	Brief Description of Tender	Publication Date	Last Selling Date & Time	Opening Date
1	864876	Spare Parts for ST I&C Field Instrumentation.	27/09/2023	29/10/2023, 15:45	30/10/2023
2	873842	Spare parts for LV Switchgear and Protection System, Sirajganj 225 MW CCPP (Unit-1), NWPGL.	01/10/2023	22/10/2023, 15:00	23/10/2023
3	879868	Carbon Brush and Brush Holder for STG, Sirajganj 225 MW CCPP (Unit-1), NWPGL.	01/10/2023	22/10/2023, 15:00	23/10/2023
4	880039	Supply of metal plate, angle and others for sand filter repair.	02/10/2023	22/10/2023, 15:50	23/10/2023
5	881934	Supply of Mechanical Valves for Water and Air Pipeline.	05/10/2023	22/10/2023, 15:45	23/10/2023

This is an online tender where only e-Tender 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 (www.eprocure.gov.bd) is required. Further information and guidelines are available in the National e-GP System Portal and e-GP Help Desk (helpdesk@eprocure.gov.bd).

Engr. Brojendra Kumar Sarker
Plant Manager (Superintending Engineer)
Sirajganj 225 MW Combined Cycle Power Plant (Unit-1)
NWPGL, Soydabad, Sirajganj.

Dollar rallies

REUTERS, New York

Surging US real yields are aiding the dollar's rebound, rewarding bullish investors while making bears think twice before betting against the buck.

The real yield on US 10-year Treasuries - which measure how much investors stand to make on US government bonds after inflation is stripped out - hit 2.47 percent on Tuesday, the highest in nearly 15 years, according to data from the US Treasury Department.

That has made betting on the US currency more profitable, since bullish investors can collect yield while sitting on their dollar positions. The dollar is up 7 percent from its 2023 lows against a basket of currencies and stands at a 10-month high.

At the same time, climbing real yields make it more expensive to bet against the dollar. Bearish investors establishing short positions must pay more to borrow the currency.

Dollar positioning in futures markets showed a net long of \$3.07 billion for the week ended September 26, according to data from the Commodity Futures Trading Commission. That was a sharp reversal from a short position of \$21.28 billion earlier this year.

"The dollar isn't just the nicest house in a bad neighborhood right now, it's the only game in town," said Karl Schamotta, chief market strategist at Corpay in Toronto. With real yields pushing higher, "only the bravest of traders are willing to bet against the greenback," he said.

The Federal Reserve's resolve to keep rates higher for longer along with relatively strong US economic growth has helped push nominal yields to their highest level since 2007. That, combined with a deceleration in inflation, has sent real yields soaring.

His surge has coalesced with other factors to fuel the dollar's rebound. The greenback is up 3 percent against a basket of currencies this year.

Other factors include a resilient economy that has made the US a relatively more attractive investment, with growth steadier than floundering Europe and China.

Europe could become energy self-sufficient in \$2tr push: study

REUTERS, Frankfurt

Europe could wean itself off fossil fuels and create a self-sustainable energy sector by spending around 2 trillion euros (\$2.1 trillion) on solar, wind and other regenerative sources by 2040, according to a new study.

The report, led by the Potsdam Institute for Climate Impact Research, said the continent would require annual investments of 140 billion euros by 2030 and 100 billion a year in the decade thereafter to get there.

While most of the sum would be needed for onshore wind expansion, solar, hydrogen and geothermal resources would be additional pillars of a strategy that would enable Europe's electricity needs to be powered exclusively from renewables by 2030. It would take another decade to convert the entire energy system, including things such as heating currently powered by oil or gas, to renewables, according to the study, which was shared with Reuters.

"These figures are considerable, but it is important to remember that the European countries are estimated to have spent additional 792 billion euros in the last year just on the status quo system to protect consumers from the effects of the energy crisis introduced by the Russian invasion into Ukraine," the study said.

Last month, European lawmakers gave their final approval to legally binding targets to expand renewable energy faster this decade, a central part of Europe's plans to curb climate change and shift away from fossil fuels.

The law raises the EU's renewable energy targets, requiring 42.5 percent of EU energy to be renewable by 2030, replacing a previous 32 percent target.

The scientific study - commissioned by Aquila Capital, one of Europe's largest private renewables investors - echoed industry criticism towards European regulation, asking for faster approval of projects to make sure targets were hit. It said renewable energy supply would need to grow by 20 percent per year to meet expected power demand by 2030.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (OCT 5, 2023)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 60-Tk 72	0	-5.71 ↓
Coarse rice (kg)	Tk 48-Tk 50	0	-1.01 ↓
Loose flour (kg)	Tk 42-Tk 45	-8.42 ↓	-20.18 ↓
Lentil (kg)	Tk 105-Tk 110	10.26 ↑	4.88 ↑
Soybean (litre)	Tk 155-Tk 160	0	-5.97 ↓
Potato (kg)	Tk 45-Tk 50	9.2 ↑	72.73 ↑
Onion (kg)	Tk 80-Tk 90	0	126.67 ↑
Egg (4 pcs)	Tk 48-Tk 50	-4.85 ↓	1.03 ↑

SOURCE: TCB

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার	
জেলা সুপারের কার্যালয়	
জামালপুর জেলা কারাগার	
jailsuperjamaipur@gmail.com	
পুনঃ দরপত্র বিজ্ঞপ্তি	
পত্র নং-৫৮.০৪.৩৯০.০৯৭.০১.০০৮.২৩-৩০০৮	তারিখঃ ০৪ অক্টোবর ২০২৩
১	দরপত্র আহ্বানকারীর নাম
২	এজেন্সী/সংস্থা
৩	দরপত্রের নাম
৪	দরপত্র বিজ্ঞপ্তির বস্তু ও তারিখ
৫	দরপত্র প্যাকেজ নং
৬	দরপত্রদাতাদের ন্যূনতম যোগ্যতা
৭	দরপত্র ফাইল প্রাপ্তির উৎস
৮	দরপত্র আহ্বান
৯	দরপত্র দলিল প্রাপ্তির স্থান
১০	দরপত্র দলিল বিজয়ের সর্বশেষ তারিখ ও সময়
১১	দরপত্র জমা দেওয়ার স্থান
১২	দরপত্র খোলার স্থান
১৩	দরপত্র দলিলের মূল্য
১৪	দরপত্র বাস্তব উল্লেখকরণের সময়
১৫	কার্যক্রমের সময়সীমা
১৬	দরপত্রের সাথে যে সকল কাগজপত্র দাখিল করতে হবে
১৭	প্রি-টেজার সভার তারিখ ও সময়
১৮	দরপত্র দাখিলের সময়
১৯	দরপত্র বাস্তব উল্লেখকরণের সময়
২০	মূল্যায়ন কমিটির সভা অনুষ্ঠানের সময়
২১	দরপত্র সিডিউলের অন্যান্য তথ্যাবলী জানার জন্য সলিডিট করা কর্তৃপক্ষের সঙ্গে যোগাযোগ করা যেতে পারে।
২২	কোন কারণ দর্শানো ব্যতিরেকে আবেদন বা সকল দরপত্র প্রক্রিয়া বাতিল/প্রত্যাহারের অধিকার কর্তৃপক্ষের সংরক্ষণ করেন।
২৩	কোন দরদাতা জুয়া কাগজপত্র দাখিল করলে তার জামানত বাতিলসহ তার বিরুদ্ধে আইনানুগ ব্যবস্থা গ্রহণ করা হবে।

আসনীয় জাহান
জেলা সুপার (ভারপ্রাপ্ত)
জামালপুর জেলা কারাগার

Putin orders regulated prices for fuel oil

REUTERS, Moscow

Russian President Vladimir Putin has ordered the government to provide state funds to ensure a smooth heating season, including the introduction of regulated prices for fuel oil supplied for household heating in some regions, the Kremlin said on Thursday.

Russia has been tackling shortages and high fuel prices in recent months. Fuel oil is in high demand for the Arctic and other regions, which are facing a severe winter.

The document, published on the Kremlin website, said the government will provide funds for Murmansk and other Arctic regions to prepare for the heating season of 2023/2024, and for "the introduction of price regulation for fuel oil supplied for the heating season".

Despite being one of the world's top oil producers, Russia has suffered high domestic prices and shortages of gasoline and diesel in recent months as high export prices made it advantageous for refiners to sell their products abroad.

Russia on September 21 introduced a ban on fuel exports to fight high gasoline and diesel prices as well as fuel shortages during harvesting season. There is no time frame for the restrictions to be lifted.



Md Hashem Jomaddar takes away his harvest of water spinach, called kolmi shak in Bangla, for sale to vegetable vendors in Bihongon village at Barishal sadar upazila. The 60-year-old can earn up to Tk 600 from a day's sales offering each handful of the vegetable at Tk 6. A good source of dietary fibre, protein, calcium, iron and vitamins A and C, this leafy vegetable usually grows in abundance around water bodies. Nowadays farmers have taken to cultivating it since associated costs are negligible. The photo was taken recently.

PHOTO: TITU DAS

Panchagarh tea auction centre starts journey

MD QUAMRUL ISLAM RUBAIYAT, Thakurgaon

The country's third tea auction centre in Panchagarh witnessed its first day of activity as a daylong online auction was held at the Panchagarh Chamber Of Commerce and Industries' auditorium on Wednesday.

Bangladesh's first tea auction centre was set up in Chattogram in 1949 before a second was inaugurated in Sreemangal in 2017.

Commerce Minister Tipu Munshi formally inaugurated the tea auction centre in Panchagarh on September 2 this year.

Major General Md Ashrafur Islam, chairman of Bangladesh Tea Board, observed proceedings, which were conducted by the Small Tea Garden Owners and Tea Traders Association of Bangladesh.

Three brokers and 25 bidders took part in the day-long auction.

A total of 113,000 kilogrammes of processed tea, produced by different tea factories in the northern region, were on offer.

Of the amount, 86,508 kgs were sold at an average rate of Tk 132.48 per kg.

MM Tea Estate fetched the highest price of Tk 212 per kg while Moli Tea Industry got the lowest price of Tk 102 per kg, said Amir Hossain, tea development officer of Bangladesh Tea Board, Panchagarh.



In a meeting on September 14, the Tea Sales Coordination Committee scheduled 12 online tea auctions in Panchagarh, with the next one to be held on October 18.

At least 12,079 acres of land is dedicated to tea cultivation across Panchagarh, Thakurgaon, Nilphamari, Lalmonirhat and Dinajpur in the Rangpur division.

Last year, about 1.78 crore kgs of processed tea, worth Tk 260 crore, was produced from plain land tea gardens, which accounted for 19 percent of the nation's total tea cultivation, according to the local office of the tea board.

Tea cultivation in the flatlands of Panchagarh commenced in the late 1990s after effective government directives that sought to make the most of favourable weather and soil conditions.

It soon expanded to other districts in the region.

In the last two decades, the northern regions have emerged as the second-largest tea cultivating hub in the nation, behind Sylhet but ahead of Chattogram.

A total of 26 tea processing factories operate in the region, 25 in Panchagarh and one in Thakurgaon, according to sources from the tea board.

52 companies have been granted approval to set up processing factories.

Yellen 'very optimistic' about outlook for US economy

REUTERS, Washington

US Treasury Secretary Janet Yellen said she was very optimistic about the outlook for the US economy, adding that inflation was coming down in the short term and the labor market was "extremely strong."

"I am very optimistic about the US economic outlook. Short term: inflation is coming down in the context of an extremely strong labor market," Yellen said at a Fortune CEO event on Tuesday.

"Medium term: we are now engaging in a very substantial program of investments to strengthen our economy, to boost our productive capacity," Yellen said.

US gross domestic product is still expanding at a pace well above what Federal Reserve officials regard as the non-inflationary growth rate of around 1.8 percent, often referred to as the "potential" growth rate.

US GDP expanded at a 2.4 percent annualised rate in the second quarter, and some estimates put the current quarter's pace at more than twice that.

The treasury secretary added she was

pleased that Congress passed a deal over the weekend that averted a government shutdown. She previously said that a US government shutdown would be a "risk factor" for a potential economic recession.

Yellen also said interest rates would return to more normal levels in the medium term.

Commenting on artificial intelligence, Yellen said progress in that field was "unbelievably rapid" and could make a significant difference in productivity.

Yellen also said the United States had an over-dependence on China in some key areas.

"I think we have an over-dependence on China in areas that are critical to our national well being," Yellen said, adding the US needed to de-risk some of that without completely disengaging from China.

Yellen visited China in July and has been one among a number of key officials in the administration of President Joe Biden to have made such a visit in recent months. The two countries have agreed to keep lines of communication open.

BGMEA seeks price hike from buyers again

STAR BUSINESS REPORT

The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) yesterday again sought a price hike of garment items as the government is working to implement a minimum wage for four million garment workers from December this year.

BGMEA President Faruque Hassan said in a letter: "Firstly, we need our buyers to understand and internalise the wage dynamics from our respective contexts and priorities, and support us through rational price adjustments."

He also wrote letters to the buyers who are operating through liaison offices in Bangladesh, Action, Collaboration and Transformation (ACT) and American Apparel and Footwear Association (AAFA), asking to recalculate the price for orders which will be processed from the beginning of December.

"Secondly, it's time for us to think long term. The increase in cost and wage are unavoidable, and we cannot compete in certain product categories if costs

continue on this upward trend, no matter how efficient we are," he added.

He urged local garment suppliers to find new opportunities, underlining the need for constant improvisation, innovation and diversification into items that match the sector's cost and competitive trajectory.

He added that there was no alternative to investment in machines, technology and skills.

"We need to find ways to optimise costs, trade off investments in technology with resource use and reduce wastage," he added.

The BGMEA also urged the government to take appropriate measures to control inflation and to bring its workers under a special safety net programme including food rationing.

"We appreciate our buyers and development partners for their support and we urge them to find more areas to support us in ensuring the wellbeing of the workers. We are passing through a turbulent time but it's not new to us."



Arif Quadri, managing director of United Commercial Bank, attends a celebration of UCB Investment's three-year anniversary at the bank's headquarters in Dhaka yesterday.

PHOTO: UNITED COMMERCIAL BANK

UCB Investment celebrates anniversary

STAR BUSINESS DESK

UCB Investment Ltd, a subsidiary of United Commercial Bank PLC, recently celebrated its three-year anniversary as an investment bank.

Arif Quadri, managing director and CEO of the bank, inaugurated the celebration at the bank's headquarters in Dhaka, said a press release.

Tanzim Alamgir, managing director and CEO of UCB Investment, along with other senior officials of the bank and its subsidiary organisations were present.

UCB Investment won a slew of accolades for being the "Best Investment Bank" by Finance Asia Awards, Euromoney Awards for Excellence, and Asia Money Awards in 2023, the press release added.

The investment bank has made significant contributions in the bond market, initial public offerings (IPOs), rights offerings, and mergers and acquisitions (M&A) deals as its highly skilled team of investment banking professionals provides effective solutions to its clients, it said.



PHOTO: SOUTHEAST BANK

Nuruddin Md Sadeque Hossain, managing director of Southeast Bank, presides over the bank's 3rd quarter "Business Review Meeting- 2023" at its head office in Dhaka. The bank's senior executives from head office, head of branches, in-charge of sub-branches and heads of the offshore banking units virtually joined the meeting.

Global bond rout deepens

REUTERS, New York/London

A rout in government bond markets deepened early on Wednesday with benchmark US yields hitting fresh 16-year highs as investors bet that persistently high interest rates will slow world growth and dampen the appetite for riskier assets.

The Treasury rout later retreated on a cooler-than-expected US private payrolls report that helped stocks on Wall Street rebound from a sharp sell-off Tuesday that had plunged the three main US equity indexes to four-month closing lows.

Growth concerns weighed on crude oil and gold prices, and European equities edged lower for a third day as retailer shares fell on a consumer spending pullback.

How long can

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One consumer, who works for a private company, says when one of his colleagues proposed they buy the jerseys of the national cricket team taking part in the World Cup in India, he did not show any interest since the items seem luxury under the current circumstances.

Selim Raihan, a professor of economics at the University of Dhaka, says people are using various coping mechanisms to keep their heads above water since high inflation has lingered.

"Those who have the opportunities are doing additional jobs to meet the additional expenses. But those who don't have the opportunity to work are definitely cutting their consumption of food and non-food items."

The economist says the fixed-income groups are under pressure from

both economic and social aspects.

"Many of them have stopped going to social events to cut expenditures."

He urged the government to bring fixed-income groups under the social protection schemes, which currently support the poor, the elderly and other impoverished groups, so that they can handle the price pressure.

Prof Raihan called for increasing the supply of products in the market and removing the anomalies in market management.

Nobody could say how long the low and fixed-income people would have to struggle to make a decent living.

IMF mission unimpressed

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next week to know about the revenue collection strategy in a bid to enable the tax administration to hit the year-wise revenue targets attached to the loan.

The IMF had set a target for the NBR to collect a minimum of Tk 345,630 crore in tax in 2022-23. This was one of the six quantitative targets attached for the first half of 2023 by the IMF for the authorisation of the second instalment of the loan.

The NBR logged Tk 325,272 crore in FY23, according to its provisional data.

In response, finance ministry officials said that while the revenue collection fell short of the IMF's floor, it was within touching distance.

Tax collection grew 8 percent in the last fiscal year, which was almost half of the 14 percent growth the NBR achieved the previous year.

At the yesterday's meeting, the IMF team also wanted to know the status of the report on the direct tax expenditure, which

includes rebates, discounts, exemptions and reduced rates of taxes.

Officials said the tax administration plans to finalise the report soon.

Taxmen, in response to the query regarding the status of the mid- and long-term revenue collection strategy, said they would finalise the strategy within two to three months.

Meeting with CPTU
The IMF mission also sat with the officials of the Central Procurement Technical Unit (CPTU). The Unit briefed the officials about the sustainable Public Procurement Policy.

It came when IMF officials met with Mohammed Shoheler Rahman Chowdhury, director-general of the CPTU, at the latter's office in the capital.

In the meeting, the CPTU informed the mission that the policy has been sent to the cabinet division for approval.

The lender also wanted to know whether the authority took proper consultation from stakeholders and published it on the website to receive

feedback from the public.

In response, the CPTU conveyed that the policy was finalised after getting the opinions and consultation.

Thanks to the new policy, green procurement will be promoted in the upcoming years.

The policy paper has been prepared to ensure that the \$25 billion that Bangladesh spends annually on public procurement "achieves value for money on a whole life basis in terms of generating benefits not only to the organisation but also to society and the economy whilst minimising damage to the environment".

The policy would be piloted in the procurement of paper and paper products, office supplies, computer and other electronic equipment and supplies, office and other furniture or related wooden appliances, vehicles and other transportation equipment, food services and catering, hotel materials like towels and bed covers, and official paper-made publications.

Disbursement of foreign loan

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of a new fiscal year, said sources.

Funds do not get released fast as most projects are now undergoing preparatory work, they added.

The significant increase in the commitment amount may help grow

the disbursements in the coming months, they said.

Asian Development Bank (ADB) and World Bank committed to provide \$79 crore and \$30 crore respectively during this period.

There was no commitment from Asian

Infrastructure Investment Bank, India, China and Russia in the two months, according to ERD data.

Japan released the highest amount of \$30.88 crore followed by the ADB (\$15.74 crore) and World Bank (\$13.2 crore). Russia released \$4.25 crore.



Workers at the Baharpur jute market in Baliakandi upazila of Rajbari are seen loading the natural fibre onto a truck bound for a local mill. Jute growers and traders have been suffering from inadequate prices recently as ongoing global economic crises have led to reduced demand. PHOTO: SUZIT KUMAR DAS

Jute prices continue to fall

Lower exports, lack of domestic use to blame

SUZIT KUMAR DAS and KONGKON KARMAKER

Jute growers in Bangladesh are facing deepening woes as prices of the natural fibre have been in a downward slide amid a consistent decline in exports, according to industry insiders.

Besides, sales in the domestic market are scant at best due to the government's indifference towards enforcing a law making it mandatory to pack certain commodities in jute bags.

As such, the finest quality jute is currently being sold at about Tk 2,600 per maund (37 kilograms) while it was Tk 2,700 just one month back, they said.

The price of medium quality jute fell the most, decreasing by about 20 percent year-on-year to Tk 2,100 per maund in absence of adequate demand from mills.

"The situation in the jute market is very dire as farmers are suffering for low prices," said Ganesh Chandra Saha, managing partner of International Jute Traders, a major raw jute exporter.

Saha said the falling global demand for raw jute and jute goods, such as yarn and sacks, is mainly due to the economic slowdown resulting from ongoing conflicts in major markets such as Europe and Africa.

For example, the ongoing Russia-Ukraine war, military coup in Sudan, unrest in Syria and devastating earthquake in Turkey, the main yarn importing country, has caused a slump in demand for jute goods.

Similarly, the demand for raw jute in major markets like India and Pakistan have fallen too.

This is because India, the world's biggest producer of the golden fibre, enjoyed sufficient yields this year while demand in Pakistan has been hampered



by the country's economic turmoil, he added.

Export earnings from jute and jute goods have been lodged in a downward spiral since fiscal 2021-22 and the trend has continued this year too.

Receipts from shipments of jute and jute goods dropped nearly 10 percent year-on-year to \$222 million in the July-September period of the current fiscal year, as per data of the Export Promotion Bureau.

Increased usage of jute bags in the domestic market could have cushioned farmers from the reduced global demand by helping ensure higher prices and sales at home.

However, domestic usage has not increased sufficiently even though the government framed a law making it mandatory to use jute bags for packaging 19 commodities, including rice and wheat, in 2010.

The law was enacted to protect the interests of jute growers and millers while also limiting the use of the environmentally harmful plastic bags.

"But the law has had no effect on the market," Saha said.

Echoing the same, Md Abul Hossain, chairman of the Bangladesh Jute Mills Association, said the government is "playing ducks and drakes" when it comes to enforcing the law.

"As a result, farmers will switch to other crops if they do not get enough profit from jute," he added.

Abdus Salam, a farmer based in Mominpur village under Rangpur sadar upazila, shared this line of thought, citing how traders are offering him just Tk 2,000 per maund for raw jute.

"At this rate, many growers will shift to more profitable crops like tobacco and vegetables," he said.

Abdur Razzak, a jute farmer in Sundarganj upazila of Gaibandha, said farmers would benefit from cultivating jute if prices of the golden fibre are set between Tk 2,700 and Tk 3,300 per maund.

Farmers in the country's main growing regions - Rajbari and Faridpur - are some of the worst affected by the declining

prices as they invest a lot of time and money to raise the crop.

Local growers and traders said they sold raw jute for Tk 2,600 to Tk 3,200 per maund in 2023 while the price has tumbled to just Tk 1,600 to Tk 2,600 at present.

Ramjan Ali, a jute farmer from Baliakandi upazila in Rajbari, said he had come to the Baharpur jute market to sell eight maunds of the natural fibre.

However, Ali ultimately sold his jute at loss as it was purchased for about Tk 1,700 per maund even though each maund cost roughly Tk 1,770 to produce.

With this backdrop, growers are demanding the government to intervene and ensure reasonable prices.

Contacted, Textiles and Jute Secretary Md Abdur Rauf said they are trying to enforce the law that makes it mandatory to use jute bags for packaging select goods but are facing resistance from various quarters.

He informed of two instances where officials faced backlash when trying to enforce the law.

The first was when a mobile court was attacked by traders in Dinajpur for imposing a penalty on their failure to use jute bags for packaging rice.

The second case was in Dhaka, where the mobile court was forced to return without taking action.

"Also, polythene and plastics bags have flooded the market," Rauf said.

"So, conducting drives will not ensure increased use of jute bags amid the abundance of plastic bags," he added, suggesting that other government agencies should come forward to reduce plastic usage.

Rauf also informed that another reason for their inability to enforce the law is that the Department of Jute lacks the required manpower.

Who says I am exaggerating?

MAHTAB UDDIN AHMED

There is one thing that nobody can escape and that is problems, no matter how relative it may be. There was once this young man who thought he suffered from too many problems. So, he called out to God, asking for help.

God appeared in his dream and offered to remove all his problems if he agreed to do one thing. The young man was eager to know what it was.

God said, "You have to exchange your problems with someone else's problems."

He agreed readily, and God took him to a room which was full of many bags of problems. He was told he could choose any bag he wanted in exchange for his problems.

He looked around and saw a very small bag in the corner. He picked it up wondering who was so fortunate to have so few problems, and expressed his wish to trade all his worries with this tiny bag of problems. But to his dismay, God informed him that the bag he chose was his own bag of problems!

We are often guilty of exaggerating our own problems, as aptly quoted by Kahlil Gibran, "Exaggeration is truth that has lost its temper."

The reasons for our tendencies to magnify our problems beyond the truth can be many. We may do it to get attention, sympathy, and appreciation.

It usually stems from our sense of not getting adequate attention or a desire to be taken more seriously. By making our problems sound more serious or worse than they are, we, in fact, hope to stir more positive responses from the people around us.

According to a 2019 survey by YouGov, 59 percent of Americans admit to exaggerating their problems sometimes, often, or always, while only 9 percent say they never do so.

The most common reasons for exaggerating problems are to get sympathy or attention (28 percent), to make a story more interesting (25 percent), or to vent frustration (24 percent). The most common topics for exaggerating problems are work (37 percent), health (29 percent), and relationships (28 percent).

People exaggerate their problems to justify their emotions or actions. They may feel

guilty and ashamed of how they handle their problems and try to rationalise or defend their feelings or behaviours by exaggerating them.

Another reason is to avoid taking responsibility for our own problems, as exaggeration helps externalise them, making them more uncontrollable giving a leeway to escape from our own flaws or challenges.

The practice of exaggerating problems is rampant in every sphere of life, from personal to corporate, particularly in the sub-continent. Every other person seems to have an attitude that he or she is carrying the nation's problems on their back. But this attitude can have grave adverse consequences for all concerned, namely miscommunication and conflict with others.

Exaggerating our problems may create a false impression that others may not agree with or understand. But more importantly, it leads to mistrust or loss of credibility and social mockery or even isolation.

We fail to realise that when we exaggerate our problems, we focus more on the negative aspects of our lives, overlooking our strengths and achievements. As a result, it lowers our self-esteem and prevents us from finding fulfilment in life.

Therefore, it is essential to be honest about our problems and call a spade a spade. In fact, it can earn us more social credibility and respect and, more importantly, help us channel our energy towards the solution.

Try not to exaggerate your own importance, your status, or your own problems. Remember, you are not a big deal. You are a dot in the universe. You are one out of a few billion people. You are one out of countless trillions of living things. You are not a big deal and neither are your problems.

The author is founder and managing director of BuildCon Consultancies Ltd



Sri Lanka cuts interest rates

AFP, Colombo

Crisis-hit Sri Lanka cut interest rates by 100 basis points Thursday as the second instalment of an IMF bailout was held up after the government missed several loan conditions.

The Central Bank of Sri Lanka (CBSL) said it reduced the benchmark lending rate to 11 percent as year-on-year inflation fell sharply last month to 1.3 percent, compared to a peak of nearly 70 percent a year earlier.

The latest policy rate reduction came as the government failed to secure the second tranche of \$330 million out of the \$2.9 billion four-year bailout agreed with the International Monetary Fund in March.

Colombo had hoped to get the second instalment last month after the first review of the IMF program.

However, the international lender noted that Sri Lanka had, among other things, fallen short of the agreed revenue targets and needed to increase tax collection.

Sri Lanka was also yet to finalise a restructuring plan with its private and bilateral lenders after defaulting on its \$46 billion external debt in April last year.

CBSL said it hoped the latest rate cut, which comes on top of two in June and July, would help revive the economy.

"The financial sector is urged to pass on the benefits of the continued easing of monetary conditions to individuals and businesses adequately and swiftly, thereby supporting the envisaged rebound of the economy," the bank said.

The IMF said last week that Sri Lanka's economy had shown early signs of stabilisation, but recovery was "not yet assured".

Choppy waters as Europe navigates China-US rivalry

REUTERS

At a World Trade Organization event in September, former British prime minister Gordon Brown voiced out loud the fear that has quietly started to echo in the halls of power across Europe.

"Europe does not want to end up squeezed between America and China, either a Chinese colony or an American colony," he said of a scenario in which rivalry between China and the United States could lead to a world of two hostile power axes.

"For even if Europe would always choose America, upon whom its security depends, it also knows that its lifeblood, far more so than for the USA, is trade," added Brown, who since quitting UK politics has taken senior UN roles on global issues.

The fracturing of the rules and bonds tying the global economy together - so-called "geo-economic fragmentation" - seemed implausible only a few years ago. Now, it is a headline topic at the International Monetary Fund's annual meeting of economic leaders in the Moroccan city of Marrakech next week.

Nowhere is it more pressing than for Europe, whose wealth has always relied on

trade, from its rapacious colonial history through to its reinvention as self-styled champion of WTO rules.

Together, the 27 countries of the European Union make up the world's biggest trade bloc, accounting for 16 percent of world imports and exports.

That also makes them highly reliant on goods from elsewhere, ranging from critical raw materials to blood plasma.

But tariffs and other trade curbs are rising as governments seek to counter populist rivals who have snapped up the votes of those left behind by two decades

of rapid globalisation including China's entry into the global trading system.

Both the United States and Europe have been hardening their stance towards Beijing while stressing the rules of world trade must be fairly applied. But Washington, some observers argue, is already testing how far those rules can be stretched.

"Europe's clear belief in holding to WTO principles in a world where the other two big powers don't really hold to them limits, in some ways, its opportunities for cooperation with the United States," Brad Setser, a trade veteran who has advised the Biden administration, told a Brussels audience last month.

One sign of that was the strain in talks on a US-Europe "green steel" club erecting trade barriers to box out China. The main EU concern is that the US proposals could break WTO rules by discriminating against third parties.

Back in 2020 there was a sigh of relief among most European governments when Joe Biden replaced Donald Trump as president. But they now recognise that any US consensus for free trade has long gone and that they must adapt - preferably before a 2024 US election that might return Trump to the White House.



In this file photo, Chinese and US flags flutter outside the building of an American company in Beijing. PHOTO: REUTERS/FILE