

Brac Bank inks deal with Brac Kumon

STAR BUSINESS DESK

Brac Bank and Brac Kumon Ltd, an initiative of the Kumon Institute of Education in partnership with Brac, recently signed a strategic agreement to enhance educational opportunities and financial services in Bangladesh.

Lady Syeda Sarwat Abed, managing director of Brac Kumon, and Selim RF Hossain, managing director and CEO of the bank, inked the deal at the bank's head office in Dhaka, said a press release.

"This partnership is aligned with our commitment to sustainable development and financial inclusion. Together with Brac Kumon, we help the children realise their full potential," said Hussain.

Under this agreement, the bank's "Tara" customers and credit cardholders will enjoy benefits and discounts on Kumon services. It will also enable QR code-based fee payments while also conducting financial literacy programmes for students in Kumon centres.

Among others, Syed Abdul Momen, deputy managing director and head of SME banking of the bank, Mahiul Islam, head of retail banking, Mehruba Reza, head of women banking segment "Tara" and "Agami", and Khadija Mariam, head of women entrepreneur cell, were present.



Lady Syeda Sarwat Abed, managing director of Brac Kumon Ltd, and Selim RF Hossain, managing director of Brac Bank, exchange signed documents of an agreement on educational opportunities and financial services at the bank's head office in Dhaka recently.

PHOTO: BRAC BANK



Mohammad Feroz Hossain, managing director of Exim Bank, poses for photographs with participants of a "Business Development Conference" for branch managers, executives and officials of the bank at Rose View Hotel in Sylhet recently.

PHOTO: EXIM BANK

Shahjalal Islami Bank holds seminar on financial literacy

STAR BUSINESS DESK

Shahjalal Islami Bank Ltd organised a financial literacy seminar to raise social awareness about sending remittance to the country through legal channels.

M Akhter Hossain, additional managing director of the bank, attended the seminar in Tangail as chief guest, said a press release.

Around 35 participants attended the programme, where Md Shamim Al Mamun, assistant director of the financial inclusion department of the Bangladesh Bank, was present as an observer.

Among others, Md Abdul Majid, head of international division of the bank, Md Manzur Rahman, assistant vice-president, Shawkat Hossain, in-charge of foreign remittance, and Md Abdul Khaleque, manager of Tangail branch, were present.



PHOTO: SHAHJALAL ISLAMI BANK

M Akhter Hossain, additional managing director of Shahjalal Islami Bank, speaks at a seminar on raising social awareness about sending remittance through legal channel to the country, in Tangail yesterday.

US job growth sizzles; wage inflation cooling

REUTERS, Washington

US employment increased by the most in eight months in September as hiring rose broadly, pointing to persistent labor market strength that could give the Federal Reserve ammunition to raise interest rates again, though wage growth is slowing.

The larger-than-expected surge in nonfarm payrolls last month and sharp upward revisions to July and August's jobs counts reported by the Labor Department in its closely watched employment report on Friday cemented expectations that economic activity accelerated in the third quarter.

The labor market and the broader economy's resilience, 18 months after the US central bank started raising rates to cool demand, suggest that monetary policy could remain tight for some time. The report followed news this week that job openings jumped in August and first-time applications for state unemployment benefits remained low in September.

Financial markets and most economists believe the Fed is probably done hiking rates because long-term US Treasury yields have jumped to 16-year highs.

"With bond yields soaring, the dollar strengthening, and equity market volatility increasing there is a renewed tightening of financial conditions that does some of the work for the Fed, so it's not a done deal the Fed hikes rates again," said Kathy Bostjancic, chief economist at Nationwide.

Nonfarm payrolls increased by 336,000 jobs last month, the largest rise since January. The economy created 119,000 more jobs than previously reported in July and August. Payroll gains were almost double the 170,000 forecast by economists in a Reuters poll. The

economy needs to create roughly 100,000 jobs per month to keep up with growth in the working-age population.

Some economists argued that payrolls had been boosted by difficulties adjusting the data for the return of education workers after the summer break, a notion dismissed by most since private payrolls increased by 263,000 jobs.

"The surge in teachers hired in September cannot belie the strength in payrolls now stretching back to July thanks to the biggest upward revisions to payrolls in a long time," said Chris Low, chief economist at FHN Financial in New York.

The broad increase in payrolls was led by the leisure and hospitality industry, which added 96,000 jobs. Restaurants and bars dominated, with 61,000 positions created, returning employment in the sector back to its pre-pandemic level.

Government employment increased by 73,000 jobs, driven by

state government education and local government, excluding education. Government employment remains below its pre-pandemic level by 9,000 jobs. The healthcare sector added 41,000 jobs, lifted by ambulatory healthcare services, hospitals, nursing and residential care facilities.

There were gains in professional, scientific and technical services employment, though temporary help hiring continued to decline. Employment in the transportation and warehousing industry rose as did retail and construction payrolls, mostly reflecting homebuilding despite mortgage rates being at more than 20-year highs.

There was no impact on payrolls from a strike by the United Auto Workers (UAW) at General Motors, Ford Motor and Chrysler parent Stellantis, which started at the end of the week that the government surveyed businesses for the employment report. Manufacturing payrolls increased by 17,000 jobs.



A person walks by a sign advertising employment at a fast-food restaurant in New York City.

PHOTO: AFP/FILE

Exim Bank holds business development confce

STAR BUSINESS DESK

Exim Bank recently arranged a "Business Development Conference" for branch managers and officials of Sylhet region.

Mohammad Feroz Hossain, managing director and CEO of the bank, inaugurated the programme at the Rose View Hotel in Sylhet, said a press release.

Md Aktharuzzaman, the bank's regional head for Sylhet, presided over the conference, where Md Humayun Kabir, additional managing director, Sanjib Chatterjee, head of corporate affairs and branding division, and other officials were present.

Mercantile Bank distributes agri-machinery to farmers

STAR BUSINESS DESK

Mercantile Bank Ltd yesterday distributed agricultural machinery, including power tillers, to farmers in Bauphal, Boga, Dhulia, Naomala, Kanakdia, Surjomoni, Keshobpur, Kachipara, Adabaria and Chandra Dip Union of Patuakhali from the bank's special CSR fund.

ASM Feroz Alam, vice chairman of the bank, handed over the power tillers to the farmers as chief guest, said a press release.

Md Quamrul Islam Chowdhury, managing director and CEO of the bank, Mohammad Shafuzzaman Khan, first vice-president and head of agriculture credit division, Golam Mousa, head of Barishal branch, Moudud Ahmed, head of Bhola branch, Md Mosleh Uddin, head of Patuakhali branch, Md Al Mamun, head of Kalaiya branch, and Md Alomgir Hussain, in-charge of Kalisuri Bazar sub-branch, were present.

India's fuel demand slips

REUTERS

India's fuel consumption dropped 2 percent month-on-month in September, data from the Petroleum Planning and Analysis Cell (PPAC) of the oil ministry showed on Friday.

Total consumption in September, a proxy for oil demand, totaled 18.18 million metric tonnes, down from 18.57 million tonnes in August. However, it was up 7.6 percent compared with the same period a year earlier.

Sales of gasoline in September were 1.1 percent lower than the previous month at 3.06 million tonnes.

Sales of diesel, mainly used by trucks and commercially run passenger vehicles decreased about 2.7 percent month-on-month to 6.49 million tonnes.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (OCT 7, 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 ↓	-18.69 ↓
Lentil (kg)	Tk 105-Tk 110	10.26 ↑	10.26 ↑
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	112.5 ↑
Egg (4 pcs)	Tk 48-Tk 50	-4.85 ↑	1.03 ↑
SOURCE: TCB			

Which developing countries

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under the G20 Common Framework - set up during the pandemic to try to streamline debt overhauls.

In August, China allowed partial debt payment suspension. Last month ratings agency Moody's changed Ethiopia's outlook to stable from negative on expectations of quick progress through the Common Framework.

GHANA

Ghana defaulted on most external debt in late 2022 amidst its worst economic crisis in a generation, becoming the fourth country to seek a rework under the Common Framework.

Its progress in restructuring both domestic debt and \$30 billion in external debt has been fairly swift and it secured a \$3 billion IMF bailout in May.

Ghana's finance minister has said he expects to reach a deal with international bondholders by year-end. Still, protesters have taken to the streets of Accra recently over rising living costs, unemployment and economic hardship.

KENYA

The East African nation's public debt stood at 67.4 percent of GDP at the end of 2022, according to the World Bank, putting it at high risk of debt distress.

President William Ruto's government has moderated spending and proposed a raft of tax hikes, assuaging some concerns over imminent default. But surging oil prices have boosted inflation, and the currency has lost more than 16 percent against the dollar this year, casting doubt on his ability to press on with reforms.

Kenya, which has to repay a \$2 billion eurobond next year, is in talks with both the African Development Bank and the World Bank for budgetary support.

LEBANON

Lebanon has been in default since

2020 with few signs it will resolve its economic meltdown anytime some.

The IMF last month welcomed central bank changes, including phasing out a controversial exchange platform and curbing monetary financing of the government. But it said deeper reforms were needed amid the country's "difficult and unstable" outlook.

The IMF has warned that if the status quo continues, public debt could reach 547 percent of GDP by 2027.

PAKISTAN

Pakistan needs upwards of \$22 billion to service external debt and pay bills for fiscal year 2024. A caretaker administration is in charge with elections scheduled for January. Inflation and interest rates are at historic highs, and it is struggling to rebuild from devastating 2022 floods.

In June, it reached an 11th-hour deal for a \$3 billion IMF bridge loan. Saudi Arabia and the UAE followed with a total of \$3 billion cash infusions.

Reserves by end September were enough to make it to elections but there are questions how long it will be able to avoid default without huge support, observers say.

SRI LANKA

Sri Lanka defaulted on international debt in May 2022 after the pandemic drained its tourism-dependent economy of crucial cash to pay for imported food, fuel and medicine.

The crisis-hit island nation announced a debt overhaul plan at the end of June and has continued to make progress.

But the parties continue to spar over how much of a hit domestic banks and investors in state-owned enterprises (SOEs) should take. The next tranche of a \$2.9 billion IMF bailout package could be delayed over a potential government revenue shortfall.

TUNISIA

Multiple shocks since a 2011 revolution have pressed the North African nation into a full-blown economic crisis.

Most debt is internal, but a \$500 million eurobond matures this month, and credit ratings agencies have said Tunisia could default.

President Kais Saied has slammed the terms required to unlock a \$1.9 billion IMF loan as "dikrats" and rejected 127 million from the European Union as too small.

The tourist season narrowed the current account deficit and Saudi Arabia pledged \$500 million in support. But citizens continue to grapple with food and medicine shortages.

UKRAINE

Ukraine froze debt payments after Russia's invasion in 2022, and said it is likely to decide early next year whether to try to extend that agreement or begin looking at alternatives.

Top institutions estimate the post-war rebuild cost will be at least 1 trillion euros, and the IMF estimates Ukraine needs \$3-\$4 billion a month to keep the country running.

Recently, the economy has shown signs of recovery, with inflation slowing and business sentiment improving. But political shifts elsewhere - including the United States - have cast doubt on the durability of international support.

ZAMBIA

The first African country to default during the Covid-19 pandemic, Zambia's years of restructuring delays made it a symbol of the problems with the Common Framework.

A repair plan finally appeared imminent after Zambia clinched a \$6.3 billion debt rework deal with the Paris Club creditor nations and China, its other big bilateral lender, in June. Zambia expects to finalise a debt memorandum by year-end.