Mideast war risks serious economic damage

Says WB chief

AFP, *Riyadh*

The war between Israel and Hamas could deal a "serious" blow to global economic development, the president of the World Bank told an investor conference in Saudi Arabia on Tuesday.

"What just happened recently in Israel and Gaza -- at the end of the day you put all this together, I think the impact on economic development is even more serious," Ajay Banga said, adding: "I think we're at a very dangerous juncture."

Hamas militants stormed into Israel from the Gaza Strip on October 7 and killed at least 1,400 people, mostly civilians who were shot or burnt to death on the first day of the raid, according to Israeli officials.

The militants also took 222 people hostage, among them elderly people and young children, according to the Israeli authorities' latest count.

The hostages include dozens of dual nationals and foreigners. More than 5,000 Palestinians, mainly civilians, have been killed in retaliatory Israeli bombardments of Gaza, according to its Hamas-run health ministry.

Oil prices broadly stable

REUTERS, *London*

Oil prices were broadly stable on Tuesday following the previous session's dip after a flurry of economic data from Germany, the wider euro zone and Britain sketched a bearish picture which could weigh on oil demand.

Brent crude futures were up 9 cents, or 0.1 percent, at $89.92 a barrel by 0847 GMT, while US West Texas Intermediate crude futures inched up 4 cents, or 0.05 percent, to $85.53 a barrel.

Euro zone business activity took a surprise turn for the worse this month, data showed on Wednesday, suggesting the bloc may slip into recession.

German readings suggested a recession in the country is well underway, while Britain's businesses reported another decline in activity this month, underlining the risk of recession ahead of the Bank of England's interest rate decision next week.

BANDWIDTH CONSUMPTION: AT A GLANCE

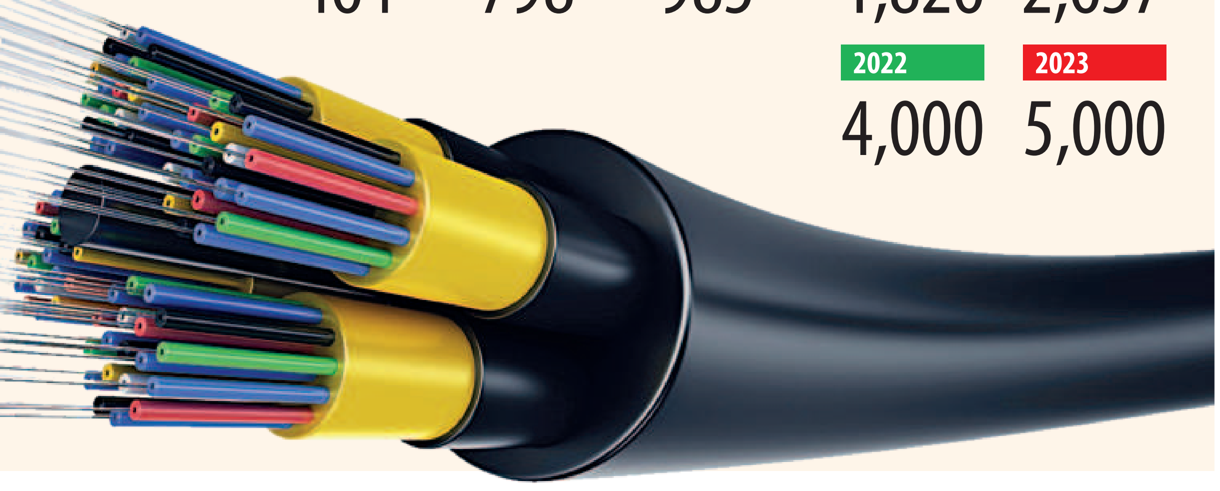
- Bandwidth imports from India surpasses that from submarine cables
- ITC supplies **2,700** Gbps through landlines
- Supply from two BSCCL's undersea cables stands at **2,300** Gbps
- Low price and good quality boosting import from India
- Total bandwidth consumption in Bangladesh **5,000** Gbps
- Bandwidth use expected to grow to **30,000** Gbps by 2030
- Third BSCCL cable to be launched in 2025
- Bangladesh to receive **13,200** Gbps from the third cable
- Private submarine cable to be available by 2025

> **In the last one and a half years, bandwidth supply through ITC has increased significantly due to quality and low price.**
>
> **Aminul Hakim**
> Former president of ISPAB

BANDWIDTH USE OVER THE YEARS

In Gbps; SOURCE: BTRC

2017	2018	2019	2020	2021	2022	2023
464	798	985	1,826	2,657	4,000	5,000



Bandwidth import from India surges

MAHMUDUL HASAN

Bandwidth imports from India have surpassed that from submarine cables due to a surge in internet usage, India's more attractive pricing and enhanced redundancy, and the saturation of Bangladesh's existing undersea cables' capacity.

Total bandwidth usage now stands at about 5,000 Gbps and more than half of it -- about 2,700 Gbps -- comes through international terrestrial cable (ITC) licences that import bandwidth from India across land borders.

The rest -- about 2,300 Gbps -- is supplied by the Bangladesh Submarine Cable Company Limited (BSCCL), which connects the country with two submarine cables, according to the Bangladesh Telecommunication Regulatory Commission (BTRC).

Before the pandemic, the BSCCL dominated the bandwidth supply with its undersea cables. But the pandemic has pushed up internet usage several fold, leading the ITC operator to bring more bandwidth from India, industry people said.

The increased bandwidth supply from India was a sigh of relief for Bangladesh as the capacity of the BSCCL, which is around 3,000 Gbps, would not be able to supply the surging demand.

Bangladesh first introduced ITC licences in 2011 to ensure bandwidth availability and redundancy, and to reduce the risk of internet blackouts due to maintenance of undersea cable or natural disasters.

In the last one-and-a-half years, bandwidth supply through ITC has increased significantly due to quality and low price, said Aminul Hakim, former president of the Internet Service Providers Association of Bangladesh.

But from a national interest perspective, bandwidth supply through submarine cables is more suitable. Investment in submarine cables is a one-time expense whereas ITC companies have to pay foreign currency for bandwidth every month.

"So, after establishment of new government and private submarine cables, there is no logic to continue ITC licenses," said Hakim, a director of Metacore Subcom, which teamed up with two other private companies to connect Bangladesh with the first submarine cable to be operated by private entities.

In September last year, the private firms -- Summit Communications, CdNet Communications and Metacore Subcom Ltd -- obtained licences to establish, maintain and operate submarine cables in a development that broke the state monopoly in the wholesale bandwidth business.

> **Total bandwidth use now stands at about 5,000 Gbps and more than half of it -- about 2,700 Gbps -- comes through import from India**

The three initially wanted to connect three cables with Bangladesh, but later backtracked from their initial decisions and agreed to collaborate on one connection amid the US dollar shortage.

"We have already signed a deal with an initiative of a Singaporean company and the connection will be complete by 2025," he added.

Moshiur Rahman, chief marketing officer of Fiber@Home Global Limited, a top ITC operator, said data traffic from India has now become essential as tech giants like Google and Facebook started to maintain servers in the country.

"Google and Facebook account for 60 percent of our data traffic and they have undertaken policies to have data centres in India. So, now you can't ignore the Indian market for bandwidth," he added.

Data centres in India have already become one of the most alluring prospects for international investors and prominent developers. Capital is pouring into the data centre sector, giving rise to multiple emerging markets while also witnessing substantial expansion in campus sizes in major cities such as Mumbai and Chennai.

Major global players like Google, Microsoft, and Amazon have initiated the establishment of their data centres in India.

Data centres in India have attracted $10 billion in investments since 2020, driven by increasing demand due to substantial growth in data consumption.

"The hub of the internet is shifting from Singapore to India as the providers plan to bring their content to the eyeball of nearly two billion people," said Md Hasibur Rashid, director and chief marketing officer at Novocom limited.

Currently, in Bangladesh, tech giants including Google, Facebook and Netflix maintain their servers in the facilities of different data centre companies.

"So, Bangladeshi internet providers' cache servers can now sync with the servers of those tech giants, facilitating quality data traffic," he added.

Md Arif Al Islam, managing director of Summit Communications, which supplies the biggest chunk of ITC bandwidth, said Indian bandwidth has multiple redundancy.

Tata Communications Limited and Bharti Airtel have different levels of redundancy and ISPs that use bandwidth from these sources have never experienced internet black out.

Besides, the price of ITC bandwidth is a bit lower, he added.

Sumon Ahmed Sabir, a technology expert, said Bangladesh needs bandwidth from both sources to ensure uninterrupted data traffic.

READ MORE ON B2

Eastern Bank arranges Tk 300cr syndicated loan for Shakti

STAR BUSINESS DESK

Eastern Bank PLC will help as lead arranger to manage a syndicated term loan facility worth Tk 300 crore for Shakti Foundation, a microfinance institution in Bangladesh.

The amount of loan can also be increased up to Tk 500 crore, said a press release.

The loan facility will be used to support Shakti Foundation's microfinance programmes comprising micro enterprise loan, microcredit, and agricultural loan for the disadvantaged women in the country, especially in urban areas.

Bangladesh Development Bank, Dutch-Bangla Bank, Jamuna Bank, Midland Bank, One Bank, Pubali Bank, SABINCO, South Bangla Agriculture and Commerce Bank, and Eastern Bank are the other participating financial institutions of the loan.

Eastern Bank organised a deal closing ceremony at the Sheraton Dhaka in Banani on Monday, where Ali Reza Iftekhar, managing director and CEO of the bank, said: "This syndicated loan is another testament to our business commitment in promoting the social development of the country particularly of the marginalised people."

"The deal will help Shakti Foundation in their efforts to improve the socio-economic conditions of disadvantaged womenfolk in the country," he said while expressing his gratitude to all participants for their sincere support in the time of closing the deal.

Md Fashiullah, executive vice-chairman of Microcredit Regulatory Authority, and Humaira Islam, founder and executive director of the foundation, along with representatives from participating banks and non-banking financial institutions attended the ceremony.

Bitcoin soars to 18-month high

REUTERS, *London/Singapore*

Bitcoin rose 6 percent on Tuesday to $35,198, its highest in nearly a year-and-a-half, on mounting speculation that an exchange-traded bitcoin fund is imminent.

That followed a 10 percent surge on Monday, when bitcoin posted its best day in almost a year, and the bullishness spread across the wider crypto market and into related stocks.

Any approval by the US Securities and Exchange Commission (SEC) of an exchange-traded fund (ETF) that owns bitcoin on behalf of fund investors is predicted to fuel demand.

A spot bitcoin ETF, the argument goes, would allow investors previously wary of crypto access to the asset via the stock market, ushering in a new wave of capital to the sector.

"The value of ... any asset, basically, is the amount of people using it," said Steen Jakobsen, CIO at Saxo. "So, the ETF would make a large audience and increase liquidity."

Bitcoin, a volatile asset whose price has doubled so far this year, was last up 3.2 percent at $34,129. The second-largest cryptocurrency ether climbed to its highest since August.

Crypto-linked shares such as major US exchange Coinbase Global and bitcoin owner MicroStrategy rose in after-hours trade.

Investment giant BlackRock is among several major US financial firms with pending applications for bitcoin ETFs. Speculation on their likely approval was fuelled by BlackRock's iShares ETF listing on the website of clearing house DTCC. It was unclear when or why the iShares ETF was added to the DTCC list. DTCC and BlackRock did not immediately respond to requests for comment.

Anticipation also grew after reports this month, including from Reuters, that the SEC won't appeal a court ruling it had been wrong to reject an ETF application from crypto firm Grayscale Investments.

ENERGY EFFICIENCY EFFORTS

Global industry could save $437b a year

REUTERS, *Frankfurt*

Global industry could save around $437 billion a year from 2030 via energy efficiency savings and could also achieve big reductions in carbon emissions, a study showed.

The report by the Energy Efficiency Movement, an industry collective, which has Switzerland's ABB, Germany's DHL Group, Sweden's Alfa Laval and Microsoft among its members, said four gigatons of carbon emissions could be saved by 2030 each year - if companies doubled down on efficiency measures.

That would be the equivalent of taking 60 percent of the world's internal combustion vehicles off the roads, the report, seen by Reuters, said.

Companies could undertake regular energy audits, review the ideal size of industrial assets, connect sites and machines to reap energy synergies and use more efficient engines, the report said.

"Ahead of COP28, it is important to demonstrate that there are mature and concrete technology solutions readily available to address the global warming issues we are facing," said ABB executive committee member Tarak Mehta. The COP28 climate conference will take place later this year.

"Since renewables can only provide a part of the answer, the critical role energy efficiency plays in accelerating the energy transition toward reaching net-zero emissions by 2050 is undeniable."

Workers walk through the Canary Wharf financial district in London. While Britain's unemployment rate held steady at 4.2 percent in three months to August, the number of employed people fell by 82,000 and unemployed rose by 74,000.

PHOTO: REUTERS/FILE

UK labour market loses steam

REUTERS, *London*

Britain's labour market lost a bit more of its inflationary heat in the three months to August, data from the Office for National Statistics (ONS) showed on Tuesday, potentially helping the Bank of England to keep interest rates on hold next week.

While the unemployment rate held steady at 4.2 percent under a new calculation that accounts for dwindling survey responses from households, the number of employed people fell by 82,000 and unemployed rose by 74,000.

The BoE is monitoring the labour market closely as it considers whether it needs to resume raising interest rates, having kept them on hold in September after 14 hikes in a row.

The experimental figures included new data sources to compensate for

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