

Raise awareness on impact investment: analysts

STAR BUSINESS REPORT

Bangladesh should focus on raising awareness on impact investment in the next five years, said Lokman Hossain Miah, executive chairman of the Bangladesh Investment Development Authority (Bida).

"We should also focus on attracting impact investment as well as building capacity of impact investment managers," he said.

He was speaking at an event titled "International Impact Investment Summit-Impact InveSTAR" organised by the National Advisory Board (NAB) at the Bida office in Dhaka's Agargaon yesterday.

The NAB is hosting the event to mark the national impact investment day on November 10. The NAB acts as the advisory committee to guide the development of impact investment in Bangladesh.

AMA Muhith, former finance minister, launched the concept of impact investment publicly in Bangladesh on November 10 in 2016. It is also crucial to conduct research to compare emerging economics and encourage global impact investors to support ready projects in the country, Miah added.

Bangladesh launched the National Impact Investment Strategy and Action Plan in August 2022, he said. "We thank the Embassy of Switzerland and Build Bangladesh for their support."

Bangladesh is among the very countries in the world that has a "National Impact Investment Strategy", which is aligned with the government's eighth five-year plan, he said.

Arastoo Khan, chair of the NAB Trust, also spoke at the event.



Selim RF Hussain, managing director and CEO of BRAC Bank, cuts a ribbon to inaugurate a sub-branch of the bank at Mahmud Bhaban on Lake Drive Road in Uttara Sector-7 in the capital recently.

PHOTO: BRAC BANK

Indian rupee falls to record low

REUTERS, Mumbai

The Indian rupee dropped to a record low against the US dollar on Friday, which alongside the outage of the interbank order matching system, prompted the central bank to step in.

The rupee dropped to a record low of 83.42 to the dollar and was last at 83.3925. The rupee had been in a narrow range for more than a month, with the Reserve Bank of India (RBI) not allowing it to weaken past 83.30, according to traders.

"On why the RBI today decided that

(allow rupee to drop below 83.30), it's impossible to say," a forex trader at a bank said.

"What is important is what happens over the next few days - whether 83.30 will now be the new bottom (for USD/INR) and how the RBI will manage the currency from here on out. Next week will be very important to see if a new range has been made."

Alok Sharma, associate vice president of treasury at ICBC, said that trading activity in the rupee will be low on Monday due to the Diwali holiday and he will eye moves Wednesday onwards.

The pressure on the rupee was exacerbated due to an outage of the interbank order matching system, likely leading to the RBI stepping in to calm the market, traders said.

The central bank is unlikely to allow an unchecked slide in the rupee, according to some analysts.

The RBI will defend the currency "in a systematic way" like it has in recent months, said Arnob Biswas, head of foreign exchange research at SMC Global Securities. He, however, said that the range in the USD/INR has now shifted higher.

Exim Bank opens 149th branch in Patuakhali

STAR BUSINESS DESK

Export Import Bank of Bangladesh Ltd launched its 149th branch, located in Patuakhali, yesterday.

Mohammad Feroz Hossain, managing director and CEO of the bank, inaugurated the branch as chief guest, said a press release.

Hossain talked about deposits and investment products of the bank. "Exim Bank is your bank. This bank will move forward with your cooperation," he said.

Md Humayun Kabir, additional managing director of the lender, presided over the programme, where Md Anisul Alam, regional manager of Dhaka South, Kazi Nesar Uddin Ahamed, head of general services division, Sanjib Chatterjee, head of corporate affairs and branding division, Sultan Ahmed Mridha, former city mayor, and Freedom Fighter Manas Kanti Datto, were also present.



Mohammad Feroz Hossain, managing director and CEO of Exim Bank, cuts a ribbon to inaugurate a branch of the bank in Patuakhali.

PHOTO: EXIM BANK

Mercantile Bank holds 'Risk Conference 2023'

STAR BUSINESS DESK

Mercantile Bank PLC yesterday organised a "Risk Conference 2023" at the bank's head office in Dhaka.

Md Nurul Amin, executive director of the Bangladesh Bank, inaugurated the conference as chief guest, said a press release.

Md Quamrul Islam Chowdhury, managing director and CEO of Mercantile Bank, spoke at the conference, Md Anwarul Haq, vice-chairman and chairman of the risk management committee, Md Zabdu

Islam, director of the department of off-site supervision at the central bank, ASM Feroz Alam, vice-chairman, MA Khan Belal, chairman of Mercantile Bank Securities Ltd and Mohammad Abdul Awal, director, spoke at the conference.

Mati Ul Hasan, additional managing director and chief risk officer of the bank, presided over the programme, where Mohammad Arif Hasan and Mahmuda Haque, joint directors of the department of off-site supervision at the BB, conducted the discussion session as

resource people.

Among others, Md Zakir Hossain, Adil Raihan, Shamim Ahmed, Hasne Alam and Md Mahmood Alam Chowdhury, deputy managing directors of Mercantile Bank, Tapash Chandra Paul, chief financial officer, Ashim Kumar Saha, Shah Md Sohel Khurshid and Mohammad Iqbal Rezwan, senior executive vice-presidents, Abu Asghar G Haruni, company secretary and head of human resources division, and Javed Tariq, principal of Mercantile Bank Training Institute, were present.



Md Nurul Amin, executive director of the Bangladesh Bank, poses for photographs with participants of a "Risk Conference 2023" organised by Mercantile Bank at the latter's head office in Dhaka yesterday.

PHOTO: MERCANTILE BANK

World Bank offers prop for Sri Lanka's stressed banks

AFP, Colombo

The World Bank on Friday provided Sri Lanka \$150 million to underwrite savings of millions of depositors in a move that highlights the bankrupt country's financial fragility as it recovers from a crisis last year.

The country's rupee currency

plunged almost 50 percent last year after the government declared bankruptcy and defaulted on its \$46 billion foreign debt.

Acute shortages of food, fuel and medicines led to months of violent protests that forced then-president Gotabaya Rajapaksa to step down and flee the country.

"Sri Lanka's economic crisis highlights the need for strong safety nets to support the financial sector," the World Bank's country director Faris Hadad Zervos said. The money will go towards a deposit insurance scheme to protect small savers with less than 1.1 million rupees (\$3,400), who account for 90 percent of deposits.

NRB Bank to raise Tk 100cr thru IPO

STAR BUSINESS DESK

NRB Bank Ltd has received approval from the Bangladesh Securities and Exchange Commission (BSEC) to raise Tk 100 crore through an initial public offering (IPO) for investment in securities.

The approval came at a BSEC meeting, presided over by Prof Shibli Rubaiyat-ul-Islam, chairman of the regulatory body, at the regulator's office last week, said a press release.

The money raised through the IPO will be used by the bank for investment in government securities and securities listed on the capital market and for initial public offering.

JCI Bangladesh gets new president

STAR BUSINESS DESK

Imran Kadir, head of sales and marketing at The Daily Star, has been elected as the 2024 National President of Junior Chamber International (JCI) Bangladesh, said a statement.

The General Assembly of JCI Bangladesh held at Le Meridien Dhaka yesterday elected Kadir.

He will replace Ziaul Haque Bhuiyan in the charge. JCI Bangladesh is a non-political platform for young people working for their development.

Kadir in his immediate reaction said his goals for 2024 include to take JCI Bangladesh to newer heights by creating nationwide opportunities for young people and collaborating internationally for business relations and employment opportunities.

JCI Bangladesh will also work on initiatives focusing on mental health, reducing poverty, tree plantation, environmental protection, women empowerment and other social issues, he said.

Kadir is also involved with multiple startups, and the co-founder of Mission Save Bangladesh Foundation.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (NOV 11, 2023)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 60-Tk 75	2.27 ↑	0.75 ↑
Coarse rice (kg)	Tk 48-Tk 52	2.04 ↑	2.04 ↑
Loose flour (kg)	Tk 44-Tk 46	3.45 ↑	-26.23 ↓
Lentil (kg)	Tk 105-Tk 110	0	4.88 ↑
Soybean (litre)	Tk 145-Tk 150	-6.35 ↓	-14.49 ↓
Potato (kg)	Tk 45-Tk 50	9.2 ↑	82.69 ↑
Onion (kg)	Tk 125-Tk 130	41.67 ↑	142.86 ↑
Egg (4 pcs)	Tk 43-Tk 45	-17.76 ↓	-3.3 ↓
SOURCE: TCB			

Investment pouring

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demand for such a facility," said Shahed Alam, chief corporate and regulatory officer of Robi Axiata.

"As the first privately owned tier IV data centre of the country, it will pave the way for private enterprises seeking enhanced security for their sensitive data."

Equipped with 300 racks with an initial investment of Tk 50 crore, DataHub Asia has set up a colocation and cloud data centre in Thakurgaon recently.

"With our robust infrastructure and strategic location, the facility is suited for various sectors, including banking, financial services, hosting, and manufacturing," said Md Shoroor Morshad Porag, CEO of DataHub Asia.

He said data localisation, the practice of storing data within a country's jurisdiction, has gained significant importance in recent years and Bangladesh should prioritise policy for that.

Dhaka Colo Limited ventured into the data centre business more than five years ago. It currently operates five centres in the capital, with one having 150 racks, in Chittagong with 50 racks, in Jashore with 50 racks, and in Khulna with 50 racks, all at an investment of Tk 100 crore.

"We are currently operating at a breakeven," said Kamal Hossain, managing director of Dhaka Colo.

He thinks it is important to address policy concerns since 90 percent of the data is stored outside the country, leading to an increased international bandwidth cost and latency.

According to industry people, although Bangladesh's data centre sector is attracting some foreign investments, it is low compared to peer economies.

Data centres in India have garnered significant attention from international investors and developers, partly due to favourable government policies.

Global technology companies such as Google, Microsoft and Amazon

have begun the construction of data centres in India, which has received \$10 billion in investments in the segment since 2020, propelled by surging data consumption and demand.

Yotta Data Services, an arm of Indian conglomerate Hiranandani Group, has announced that it is investing Tk 2,000 crore to build a tier IV data centre at the Bangabandhu Hi-Tech City.

"The construction work has already started," said GSM Jafarullah, managing director of the Bangladesh Hi-Tech Park Authority, recently.

Jatra International, which has attracted investment from an international company, is investing about Tk 800 crore in the park, according to the authority.

DataVolt, a Saudi Arabian data centre manufacturing and power generation giant, has recently unveiled plans to invest \$100 million in establishing a cutting-edge data centre in Bangladesh, said the ICT Division.

The government has also set up two data centres.

The Bangladesh Computer Council built a data centre at the cost of about Tk 250 crore to store the data of government entities and sites.

In 2019, the government established the National Data Centre, the largest in Bangladesh, at the Bangabandhu Hi-Tech City at an investment of Tk 1,500 crore. Funded by China, it is run by Bangladesh Data Center Company Limited (BDCCCL).

BDCCCL and GenNext Technologies Limited earlier this year signed an agreement to set up Meghna Cloud, the country's first cloud data centre.

With \$12.5 million in investment, the platform will provide cloud service infrastructure, including servers, storage and networking equipment, and associated software technology.

Sayef Rahman, chief operating officer of Meghna Cloud, said Bangladesh's journey towards cloud is currently at a nascent stage.

"Apart from raising awareness, we need to create a service mindset with skilled tech resources. We should also be careful in catering to cyber security for these clouds."

Rahman thinks the government needs to step up its efforts for data sovereignty so that companies like Google, Facebook and Amazon localise data.

"If it is done, it will help us bring down the cost of internet."

He sought incentives from the government for building data centres in technology parks.

Electricity may be made available at an affordable rate while the land lease rate could be lower. Technology imports should be facilitated, he said.

According to Md Hasibur Rashid, director and chief marketing officer at Novocom, Bangladesh has a bright prospect in the data centre business.

"Once global content providers start to maintain more cache servers in Bangladesh to bring contents to local consumers, there will be more demand for data centres."

ECB's Lagarde signals no rate cuts soon

AFP, Frankfurt

The European Central Bank is not set to cut interest rates for the "next couple of quarters", president Christine Lagarde signalled Friday, while also warning of a potential resurgence in inflation.

The central bank hiked rates 10 times in a row to tame runaway consumer prices but held them steady for the first time in over a year at its October meeting.

With eurozone inflation falling to 2.9 percent last month and higher borrowing costs weighing on the single currency area, speculation has intensified about when the ECB may start cutting rates.