



BB makes money costlier to tame inflation

MD MEHEDI HASAN

The Bangladesh Bank yesterday announced an array of measures to bolster its fight against stubbornly high inflation, a major headache for the new government.

The policy rate, the rate at which the central bank lends to financial institutions, was increased by 25 basis points to 8 percent, its eighth straight spike since the tightening cycle began in May 2022, as inflation shows no signs of cooling. The move is aimed at making the cost of funds higher.

The central bank also cut the private sector credit growth target to 10 percent from 11 percent to dampen demand and decided to adopt a crawling peg to curb the exchange rate volatility.

All these measures are aimed at bringing down inflation to 7.5 percent by the end of the current fiscal year in June. The target was previously set at 6 percent.

Analysts described the measures in the monetary policy statement (MPS) for January-June as inadequate to tame inflation that has stayed over 9 percent since March.

The central bank also has revised downwards the economic growth projection for FY24 to 6.5 percent.

"We are not concerned about GDP growth. Our main aim is to bring down the inflation rate to the desired level," said Governor Abdur Rouf Talukder as he unveiled the new MPS at a media conference.

"Bangladesh Bank's strategic directives are centred on upholding a vigilant, hawkish approach to monetary policy until inflation rates are effectively reined in," the central bank said.

Bangladesh has long been struggling to contain inflation since external shocks driven initially by the coronavirus pandemic of 2020 and later by the Russia-Ukraine war hurt the South Asian economy like other countries in the world.

Globally, central banks pushed their interest rates speedily and sufficiently – many to record highs – to make loans expensive, thus

MONETARY POLICY AT A GLANCE

Policy rate hiked by 25 basis points to 8pc

Eighth straight spike since May 2022

Private sector credit growth target reduced to 10pc

Taka lost value by 28pc in two years

BB aims to bring down inflation to 7.5pc by June



Showing a blatant disregard for safety, traders set up makeshift eateries between two rail lines (one not in frame) in Tongi's Hyderabad area. The eateries, which open in the afternoon, attract a lot of youths in the evening. The photo was taken on Monday.

PHOTO: AMRAN HOSSAIN

Fakhrul gets bail in one more case

COURT CORRESPONDENT

A Dhaka court granted bail to BNP Secretary General Mirza Fakhrul Islam Alamgir and party standing committee member Amir Khasru Mahmud Chowdhury yesterday in a case filed with Paltan Police Station over violence centring the October 28

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51pc seats saw vote rigging

TIB says based on survey in 50 constituencies

STAFF CORRESPONDENT

The 12th parliamentary election was a one-sided one that was staged to appear competitive, said Transparency International Bangladesh (TIB) yesterday.

"It is an ominous sign regarding the future of democracy and democratic elections in Bangladesh," said TIB Executive Director Dr Iftekharuzzaman at a press conference to share the findings of the global anti-corruption watchdog's study titled "The 12th

Parliament Election Process Tracking".

The preconditions for ensuring a free, participatory, neutral and even field of competition were not fulfilled in the 12th parliamentary election, he said.

"The agenda to ensure continuous stay in power through one-sided election has been successfully achieved, the legality of which may not be challenged, or may not sustain if challenged. But in terms of political

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They tortured and watched him die

12 AL men held for murder over extortion money

SHARIFUL ISLAM and SHAHEEN MOLLAH

Saiful Islam Russel was lying on the floor – motionless, blood oozing from his mouth, and bruises on his face and body.

South Keraniganj Svecchasebak League's Organising Secretary Altab Uddin Rabbi and around 25 of his associates were sitting around him, nonchalantly.

This was the scene Russel's wife Eaty Akhtar Riya walked in on when she went to Rabbi's "torture cell-cum-office" on the



Russel with his family.

ground floor of the two-storey Parveen Tower in South Keraniganj's Shubhadha union.

Riya said she rushed to Rabbi's office around 12:30am on January 10 after someone called her and said Rabbi was torturing her husband.

"Russel was struggling to breathe and couldn't even speak to me. I begged Rabbi, who is also my husband's friend, to allow me to take Russel to hospital..." Riya told The Daily Star at her Khejurbagh Boroitola home in Telghat on Tuesday.

Rabbi had told her that Russel must return Tk 20 lakh first. He, however, did not explain to her how Russel owed him that money.

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Eleven days have passed since the national polls, but the campaign posters and banners of many candidates are yet to be removed from Dhaka. The photo was taken near the Tejgaon Colony Bazar yesterday.

PHOTO: RASHED SHUMON

Dengue looks ominous even in lean season

HELEMUL ALAM

At least 10 dengue patients have died and about 756 new patients were hospitalised in the first 17 days of the year, portending an ominous trajectory of the mosquito-borne disease in 2024.

At this point a year earlier, the number of deaths was six and the total number of cases was 566. The death toll was zero in January 2022 and the caseload 126.

Bangladesh witnessed 1,705 dengue-related deaths and 321,179 cases last year – the highest yet since its first outbreak in 2000.

Subsequently, entomologists asked the authorities concerned to take necessary steps to control Aedes mosquitoes since the beginning of this year.

The Directorate General of Health Services data does not reflect the real picture because a large number of dengue infections and subsequent deaths go unreported, said GM Saifur Rahman, lecturer on medical

and applied entomology at National University.

A case is recorded only when an individual receives in-patient treatment at one of the 138 hospitals that send information to the DGHS. The rest of the country's 16,000 facilities do not provide the health directorate with data.

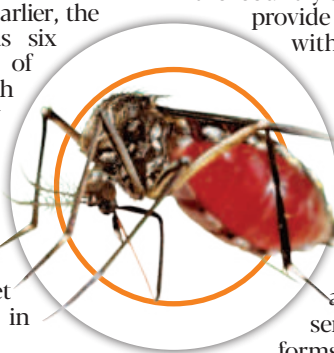
Dengue is a reportable disease in many countries, meaning data on every single patient is recorded, Rahman added.

In the absence of data on the exact number of patients, their locations and distribution of serotypes or closely related forms of the virus, the vector control programme would not be effective, said Manjur A Chowdhury, a former president of the Zoological Society of Bangladesh.

"Without information, it is not possible to kill adult mosquitoes and destroy the larvae in clusters."

The government should start surveillance in January, which is the

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BUSINESS

Corruption remains main hurdle for businesses: CPD

Similar to previous years, corruption was the top problematic factor for businesses in 2023 while inadequate supply of energy poses the highest risk to the nation's economy over the next two years, found a survey conducted by the Centre for Policy Dialogue (CPD).

A majority of respondents, around 67.6 percent, complained about the high levels of corruption.

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