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CURBING PRICE HIKES

Govt planning concerted action

STAFF CORRESPONDENT

The government is planning a coordinated effort to rein in the soaring prices of essentials.

The finance ministry will hold a meeting on Sunday with the ministries and government institutions concerned to find a way.

The meeting involving representatives from the commerce, food, and agriculture ministries and Bangladesh Bank comes after Prime Minister Sheikh Hasina told her cabinet colleagues that she wants to see the results of their actions on the price hike of essentials.

She had said the high prices were hurting people. The finance ministry has already identified some key problems that it blames for the price hike, and those will be brought up at Sunday's meeting.

The ministry is going to prepare a plan of action for the first 100 days of this government and the issue of inflation control will be a high priority, said ministry sources.

As the government does not have accurate data on demand and production, the finance ministry will place a working paper at Sunday's meeting so that different government agencies have the same and precise data.

Meanwhile, as an early response, the food and... SEE PAGE 2 COL 1



PHOTO: RASHED SHUMON

People from the low-income group have been struggling to keep warm amid harsh winter. With barely any options in hand, they often build fires using straws, dried leaves or scraps from the street. The photo was taken in the capital's Tejgaon last night.

BUSINESS

Floor price lifted for most stocks

The Bangladesh Securities and Exchange Commission (BSEC) yesterday withdrew the floor price for most of the stocks, 18 months after the measure was imposed, a move that is expected to bring back vibrancy to the market.

The floor will still be applicable for 35 companies, the regulator said in a notice.

In July 2022, the commission set the floor price, which is the lowest price at which a stock can be traded, for every share to halt their free-fall amid uncertainties brought on by the lingering fallout of the coronavirus pandemic and the Russia-Ukraine war.

The BSEC lifted the floor price for 169 companies in December 2022. But in March last year, it brought back the price control.

STORY ON B1

AL mulls taking 'boat' off local body polls

PARTHA PRATIM BHATTACHARJEE and ASHIK ABDULLAH APU

Against the backdrop of post-election infighting between the Awami League candidates and the "AL independents", the ruling party is now actively considering not fielding candidates with the "boat" symbol in the upcoming local government polls, party insiders said.

A division opened up between the AL grassroots due to the party's strategy of allowing leaders to run as independents in the January 7 national polls and it ultimately led to violence.

Grassroots leaders ran against the party nominees in 181 of the 299 constituencies.

Worried about this, the AL leadership has taken some initiatives, including touring districts and holding meetings with the grassroots leaders. The party has already warned the grassroots leaders of stern organisational actions those involved in infighting.

Elections to upazila parishads, which will be held in phases, are likely to begin in March.

According to sources, the issues of intra-party feuds and taking "boat" off the local government polls came up during an informal discussion among some top AL leaders at the party headquarters on Bangabandhu Avenue on Wednesday. AL General Secretary Obaidul Quader was present.

Most of the leaders recommended not allowing candidates to contest the polls with "boat" symbol to avoid further division among the grassroots.

Quader in response said he will discuss the issue with party President Sheikh Hasina.

SEE PAGE 2 COL 1

Tension rises as Pak strikes kill 9 in Iran

Islamabad says it hit terrorist hideouts; world powers urge calm, caution

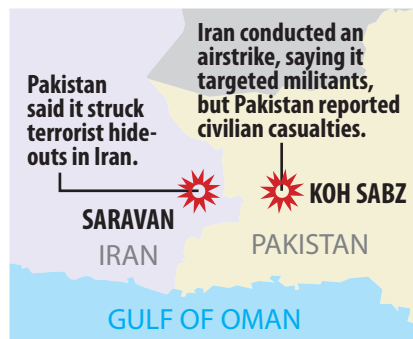
AGENCIES

Pakistan said it used killer drones and rockets to strike separatist Baloch militants inside Iran yesterday, in a retaliatory strike two days after Tehran said it attacked the bases of another group within Pakistani territory.

Iranian media said several missiles hit a village in the Sistan-Baluchestan province that borders Pakistan, killing at least nine people, including four children.

The neighbours have had rocky ties in the past, but the strikes are the highest-profile cross-border intrusions

LOCATIONS OF STRIKES



in recent years and come amid growing worries about instability in the Middle East since the Israeli offensive on Gaza started on Oct 7.

As tensions flared, world and regional powers urged both countries to take measures to de-escalate the tensions.

"A number of terrorists were killed during the intelligence-based operation," Pakistan's foreign ministry said, describing it as a "series of highly coordinated and specifically targeted precision military strikes against terrorist hideouts".

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NEWS ANALYSIS

MONETARY POLICY STATEMENT

Can it contain inflation?

ZINA TASREEN

For a few months now, the central bank has been saying that it would be more clinical in dealing with inflation once the election is over.

But the key takeaway from the monetary policy unveiled on Wednesday is that inflation is the new normal – a crushing blow for the poor and fixed-income demographic weary from battling a cost-of-living crisis for a good couple of years.

The central bank's only action of note was making the cost of funds – as defined by the policy rate – higher by 25 basis points, its eighth incremental hike since May 2022.

The desired outcome is that the higher cost of funds will discourage banks from borrowing more from the Bangladesh Bank. With fewer funds in the hands of financial institutions, industrialists and individuals will have fewer funds in their hands, which, in turn, means they will have less to spend and that would bring down the aggregate demand.

With the aggregate demand down, the law of demand and supply will kick in and the price level will shift. And thus, inflation would have been conquered.

Such a wishful line of thinking would have been fine if the economy was showing signs of inflationary pressure and not when it

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JN.1, new Covid subvariant, is here now

5 people test positive

STAFF CORRESPONDENT

The new subvariant of the coronavirus – JN.1 – has been detected for the first time in Bangladesh.

Institute of Epidemiology, Disease Control and Research (IEDCR) officials yesterday confirmed the presence of the Omicron subvariant, saying that five people were found affected despite not having any travel history.

"Omicron type JN.1 has been identified after testing samples of five Covid patients from Dhaka and outside," Professor Tahmina Shireen, director of IEDCR, told The Daily Star.

"All five patients are Bangladeshis who have never travelled outside the country," she said.

The World Health Organization has already termed JN.1 as the "variant of interest" or "variant to watch for", as it is spreading fast.

As the infection rate has been rising globally, WHO, in a recent publication, said the overall risk posed by the variant was assessed to be "low", while the existing vaccines are also enough to offer protection against it.

The detection of the subvariant in Bangladesh was also published on Global

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People queue up behind an OMS truck of the food department to buy rice and flour at subsidised prices at Basila intersection in Dhaka's Mohammadpur yesterday. They had to wait for about two hours before being able to purchase the essentials. Some, however, tried to bribe the outlet staffers to cut the line.

PHOTO: RASHED SHUMON

Election wasn't participatory enough: CEC

STAFF CORRESPONDENT

The 12th parliamentary election was not participatory enough, but the nation could overcome a crisis through this election, Chief Election Commissioner Kazi Habibur Awal said yesterday.

"We are satisfied as there were not many incidents of irregularities in the polls, which had been a cause of concern," he said while speaking at an event at the Election Commission office.

With this election, people got relief but they did not get any permanent solution, he said.

"Election is not a philosophy – it is a bureaucratic process. Politics and democracy are ideologies. Popularity is assessed through polls. Election is needed for the sake of democracy, which is why political leaders should find a way out of this crisis."

The crisis remains as the polls had not been acceptable to some parties, Awal said. They not only boycotted the election but also tried to stop it, he said.

"If such crisis is created every five years over holding the polls, the country's development will be hampered."

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