

Star BUSINESS

Customers lured by discounts galore are flocking to outlets of clothing brands in a rush to secure the best winter clothes



Story on B4

Funds get costlier as liquidity crisis drags on

Interest rates on treasury bills and bonds continue to rise

MD MEHEDI HASAN

Both the government and banks are facing a tight liquidity situation, which has pushed up the yield of treasury bills and bonds and the lending rate in the banking sector. The contractionary monetary stance announced by the central bank earlier this month to rein in higher inflation, which stands at more than 9 percent, has further pushed up the interest rates.

The weighted average interest rate on loans stood at 7.89 percent in October, up from 7.31 percent in

June, when the BB withdrew the lending rate cap and introduced a new interest rate-setting formula.

As per the new formula, the interest rate on bank loans stood at 11.89 percent in January this year. It is likely to cross 12 percent in the upcoming months, commercial bankers say.

Banks can impose a margin of 3.75 percentage points on the six-month moving average rate of treasury bills, abbreviated as SMART. The SMART was 8.14 percent this month, up from 7.10 percent in July.

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RED SEA CRISIS

The diversion cost



Shipping cost increased by more than 30%



Lead time rose by 15 days to 45 days for European destinations



Insurance cost has also increased



So far buyers are bearing the freight charge



Buyers may demand discounts in future for higher shipment costs

RMG shipping cost climbs for Red Sea diversion

REFAYET ULLAH MIRDHA and SUKANTA HALDER

International clothing retailers and brands are still choosing seaways, instead of air, to carry goods from Bangladesh to Europe although the rerouting of ships away from the Red Sea has increased the freight charge by more than 30 percent and added 15 days to the sailing time.

Bangladeshi businesses are feeling the heat of the conflict in the Red Sea, one of the world's busiest shipping lanes, as reinsurers worldwide are charging 3.5 times more premiums to cover the risks brought on by the crisis.

The Red Sea connects Asia to Europe and the Mediterranean, via the Suez Canal. About 12 percent of global trade passes through the Red Sea, including 30 percent of global container traffic.

It emerged as the heart of global tension after Houthi rebels began attacking Israel-linked ships in response to the latter's devastating war

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THE WEEKLY VIEW

Investors on edge as stocks end two years of inflated prices

AHSAN HABIB

The ongoing decline of share values in the stock market of Bangladesh was expected as the removal of floor prices has allowed them to adjust to their real levels, according to market analysts.

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), shed a whopping 180 points over the past week to stand at 6,156 points as of Thursday, down 2.84 percent from the week prior.

Although almost all of the country's economic indicators were in a downtrend for about the past two years, the key index for measuring share price performance had stayed above 6,200 points.


This was because the floor price mechanism kept share values artificially inflated by preventing them from falling beyond a certain point.


Export earnings had fallen below the target in fiscal 2022-23 while the consumer price index rose to a 12-year high of 9.02 percent at the same time.

Meanwhile, Bangladesh's foreign exchange reserves have almost halved in the past two years.

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We are in search of **HEAD OF AUDIT**

Employment Type: Full-time
Job Location: Dhaka
Reporting to: Chairperson, Board Audit Committee
Job Grade: Shall be determined based on skillsets and experience of the incumbent. The incumbent will be a part of the Management Committee.

KEY RESPONSIBILITIES

- Prepare risk-based audit plan each year and get ahead of risks, identify themes and continually evaluate areas of priority against the bank's risk profile and control environment
- Implement and communicate Audit Committee's mission, goals and strategies
- Supervise to execute the annual audit plan maintaining high ethical standard
- Escalate the deficiencies identified through risk-based audits to appropriate level
- Prepare summary report on the audit findings and corrective actions taken to the Audit Committee
- Manage effective and prompt audits by maintaining cordial relationship, co-operation and communication
- Lead the design and promote the use of innovative tools and technology to drive continuous coverage of company risks
- Liaise with external auditors, professional bodies and regulatory agencies as and when required
- Demonstrate a critical, strategic mindset and lead and support change
- Validate that management has effective policies and procedures and adhere to those policies, procedures and effective controls designed to mitigate identified risks
- Review that the design related to the processes used by management to identify all the risks involved in the relevant process
- Review risk management processes and responses to any risks that are appropriate and conform to the bank's policies
- Provide assurance to the Audit Committee and board on the effectiveness of the control environment operating in the organization for managing the identified risk
- Build the capabilities to cover the various operations of the bank including the systems used by the bank
- Responsible for development, retention and employee-relation issues that fosters an inclusive work environment
- Assess the requirement of the learning/coaching at various levels of various departments and design the relevant learning contents and have a mechanism to deliver the training

KEY QUALIFICATIONS

- Master/Bachelor degree from a reputed university with a satisfactory academic track record
- Minimum 15 years of experience with minimum 6 years in Internal Audit functions preferably in the banking or financial services industry
- Strong understanding of audit methodologies and audit execution processes
- Professional certification e.g. CIA, ACA, ACCA, ACMA and/or CIMA is preferred
- A clear understanding of relevant laws, regulations and industry best practices
- Excellent interpersonal and collaboration skills to work with cross functional teams
- Proven track record to lead, develop and manage a dynamic team

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If you are interested in taking up the challenge, please send your resume at career@bracbank.com. Only short-listed candidates will be communicated for the next stage as per the recruitment process. BRAC Bank reserves the right to accept or reject any application without assigning any reason whatsoever.

Application Deadline: **February 10, 2024**



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