

Star BUSINESS

In 2022, some 17.4 percent of households in Bangladesh were led by women, up from 16 percent the year before



Story on B4



Mamoon Mahmood Shah

NRB Bank MD resigns

STAR BUSINESS REPORT

The managing director and CEO of NRB Bank has stepped down citing personal reasons.

Mamoon Mahmood Shah sent his resignation letter to Mohammed Mahtabur Rahman, chairman of the private commercial lender, on January 21 stating that he was unable to continue working at the bank.

"I was feeling uncomfortable at the bank, so I resigned," Shah told The Daily Star yesterday.

When asked what the reasons were for the discomfort, he did not elaborate over the phone.

However, a senior official of the bank, requesting anonymity, said Shah resigned over some internal disputes centring loan disbursements.

Shah had joined NRB Bank as an additional managing director in 2019. The fourth generation bank started its operations on August 4, 2013.

Currently, Deputy Managing Director Md Shakir Amin Chowdhury is serving as the acting

READ MORE ON B3

Garment exports to rebound in May as global economy on the mend

Exporters credit rising orders, product and market diversification

KEY POINTS

- Local suppliers are receiving a lot of inquiries from buyers
- Local exporters diversified both markets and products
- Buyers are paying premium prices for value-added items

Buyers and exporters say ...

- RMG shipment to see robust growth from May
- Western economy is rebounding from downturn
- Green initiatives helped build a positive image of the sector

RMG export growth

3.45% to \$28.36b in July-January

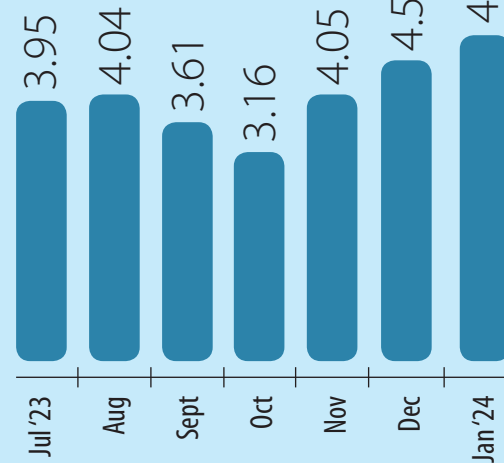
1.72% to 23.39b in July-December

Prediction

In the US market, sales growth will be 3-4% next season

Garment exports (In billion \$)

SOURCES: EPB AND BGMEA



REFAYET ULLAH MIRDHA

Garment export from Bangladesh may witness a strong rebound from May as suppliers are receiving a lot of inquiries from international buyers as the global economy recovers from the severe fallout of the Covid-19 pandemic and the Russia-Ukraine war.

Signs of revival in garment shipments are already being seen in the export data of the current fiscal year.

In the July-January period of 2023-24, garment export

grew 3.45 percent year-on-year to \$28.36 billion, according to data from the Export Promotion Bureau (EPB).

Matthew Shay, president and CEO of the National Retail Federation (NRF), the largest retail trade association in the

US, said in a statement last week that retailers were coming off a successful holiday season.

Sales growth is expected to be 3 percent to 4 percent, reflecting a more sustainable rate of growth than seen during the pandemic-hit years, he said.

He added that the growth reflected the fact that retailers were accommodating the expectations of consumers and demonstrated the underlying strength of the US economy.

"Inquiries from international

READ MORE ON B3

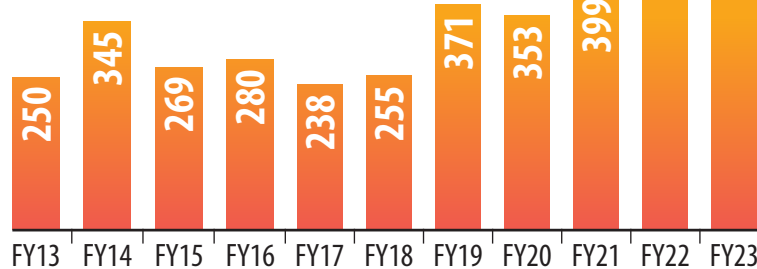


Exports to South Korea tripled in 5 years on duty benefits

Major export items	Earnings (In million \$)
Knitted apparel and clothing	279
Apparel and clothing accessories (not knitted)	258
Textile items	22
Footwear, gaiters	19

ANNUAL EXPORTS TO SOUTH KOREA

In million \$; SOURCE: EXPORT PROMOTION BUREAU



SOHEL PARVEZ

Exports from Bangladesh to South Korea nearly tripled over the past five years thanks to duty-free benefits and a push by exporters to explore the world's 13th largest economy and thereby diversify their export destinations.

Annual exports to Korea had hovered between \$200 million and \$300 million in the five years up till fiscal year (FY) 2016-17. Exports started rising the following year, crossing the half-a-billion dollar mark to reach a decade-high in FY22.

Then, in FY23, exports to the East Asian nation soared 18 percent year-on-year to \$624 million.

The uptick in shipments continued in the first half of the current fiscal year, growing 7 percent year-on-year to more than \$330 million, according to the Export Promotion Bureau (EPB).

The spike in exports to South Korea comes at a time when most shipments from Bangladesh remain concentrated on certain markets, namely Europe and North America.

Nine western markets, including

the US, UK and Germany, account for nearly two-thirds of Bangladesh's apparel exports, which comprise around 85 percent of the country's annual export receipts.

Exports to markets termed as non-traditional have grown in recent years, reducing the share of exports to traditional markets, as per data of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

In FY23, exports to South Korea soared 18 percent year-on-year to \$624 million

Since January, South Korea has been providing duty-free and quota-free entry to most products from Bangladesh, which acted as a major driver for increasing exports.

"We have been talking about cutting dependence on traditional markets and are working aggressively for this," said Mohammad Hatem, executive president of the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA).

"So, it [the rise in exports to South Korea] is a reflection of that," he added.

READ MORE ON B3



EXPORTS

Jul-Dec FY23	\$310m
Jul-Dec FY24	\$331m

Besides, the government's policy support in the form of a 4 percent cash incentive on exports to new markets encouraged manufacturers until December 31 last year.

However, the rate was reduced to 3 percent from January 1 this year.

Hatem informed that exports to Japan were growing as well.

Buyers from Japan and Korea are cutting their dependence on China as the country is gradually shifting away from garments due to rising wages in the industry, he said.

"Also, Bangladesh is getting preference from Korean buyers as a near shore country," Hatem added.

EPB data showed that apparel items accounted for 86 percent of total exports to South Korea recorded in FY23.

T-shirts, polos, and jackets are among the main items going to the East Asian country, according to Hatem, who also shipped knitwear to South Korea.

"We are working to boost exports to non-traditional markets. We have already been able to create a good position in the South Korean market," said BGMEA President Faruque Hassan.

10 DAYS TO GO

Time to celebrate the remarkable achievements of our young nation builders



ACADEMIC PARTNERS

Pearson | Edexcel | CAMBRIDGE

*Participation is by invitation only.

