

DSE to allow trading of People's Leasing shares

STAR BUSINESS REPORT

Dhaka Stock Exchange (DSE) has decided to resume the trading of shares of the People's Leasing and Financial Services (PLFS), whose liquidation was recently halted by the government.

The premier bourse of the country took the decision at a board meeting on March 6. It decided to resume the trading of the shares of the company under "Z" category from March 10, 2024, said the DSE in a disclosure yesterday.

In 2019, the government had directed the central bank to liquidate the non-bank financial institution (NBF) due to the deterioration of its financial health over the preceding couple of years.

After that, the stock exchange suspended the trading of its shares in July 2019.

The NBF's problems surfaced in fiscal year 2013-14, when some of its directors made off with more than Tk 1,000 crore by submitting fake documents, according to a central bank inspection report.

In 2015, the central bank removed five directors for their involvement in the financial scandal.

Gold price hits all-time high

REUTERS

Gold prices extended gains to hit an all-time high on Thursday after comments from Federal Reserve Chair Jerome Powell fostered expectations for lower US interest rates this year.

Gold tends to rise when interest rates are low, which reduces the opportunity cost of holding non-yielding bullion.

Spot gold gained 0.4 percent to \$2,157.51 per ounce, as of 10:03 GMT. US gold futures rose 0.3 percent to \$2,165.20.

Bullion hit a record high of \$2,161.09 earlier in the session and was on track for its longest intra-day winning streak since at least November 2021.

Powell said on Wednesday rate cuts will "likely be appropriate" later this year "if the economy evolves broadly as expected" and once officials gain more confidence in inflation's steady deceleration. Powell will speak again on Thursday.

"The primary driver in this recent rally in gold is a continued decline in real yields, with inflation expectations continuing to cool, pushing buyers into gold from money market accounts and Treasuries," said SP Angel analyst Arthur Parish.

Powell's remarks, coupled with data released the same day indicating softer labour market conditions, pushed US Treasury yields and the dollar lower, boosting demand for gold. The near-term focus will be on European Central Bank's rate decision, due at 13:15 GMT, when the central bank is expected to keep interest rates unchanged at record highs.

Friday's US non-farm payrolls report for February is expected to provide more clarity on US rate cuts. It is expected to show employers added 200,000 jobs during the month, according to economists' polled by Reuters.



A number of labourers are diligently working on agar trees to find aromatic resins to produce oil, which is used in making fragrances and perfumes. The photo was taken recently from Barlekha upazila in Moulvibazar, which is known for its agar and attar production.

PHOTO: MINTU DESHWARA

Agar-attar industry in trouble for higher cost of production

MINTU DESHWARA

Barlekha upazila in Moulvibazar is known for its agar and attar production, netting recognition not just in the country but also on the international stage. These two products are often referred to as the "white gold" of the upazila.

Moulvibazar's agar and attar have also received geographical indication (GI) certification, marking a significant milestone for the traditional perfume industry.

However, the industry is not without challenges.

The rising expenses stemming from a higher cost of production are piling up significant strains on those involved in production, prompting industry people to call on the government to address the issues that are holding back the growth and prosperity of the sector.

Industry people say the history of agar cultivation in the north-eastern region dates back to the 16th century and the business centred around farming began spreading in the 1940s.

After it was declared as an industry in 2015, commercial cultivation of agar has expanded. Apart from Barlekha, agar is currently being cultivated in upazilas such as Kamalganj, Kulaura and Juri.

Around 40,000-50,000 people in Moulvibazar are directly and indirectly involved with the agar-attar industry.

The method of extracting perfume from agar is quite ancient. Farmers extract oil from the aromatic resin, which the tree secretes in response to a fungal infection and which coagulates over time to create agarwood.

Agarwood oil is used in a blend of fragrances, scented water, incense and creams.

Mifta Mia, a resident of Sujannagar union of Barlekha, says the main buyers



are from various countries in the world, including those in the Middle East. Traders are earning a lot of foreign currencies from the sales of the products through exports.

His factory produces 200 kilogrammes of agarwood and two and a half tolas of attar (one tola equals 11.66 millilitres) per month. Each tola of perfume is sold for Tk 8,000 to Tk 9,000 while the wood fetches Tk 50,000 to Tk 100,000 per kg.

Traders say in recent times, the wages of workers as well as the gas prices have increased abnormally, raising the cost of production and chipping away at profits.

Abdul Quddus, director of Barlekha Sujannagar Perfume Company, said several factories have already been closed down due to higher gas prices.

Sahedul Majid Niku, a senior member of the Agar Attar Manufacturers and Exporters Association, said efforts are needed to alleviate the burden on producers and ensure the continued success of the agar and attar industry.

This might involve implementing supportive policies, providing financial

assistance, or facilitating access to resources and markets. Additionally, initiatives aimed at enhancing efficiency and reducing production costs could help mitigate the challenges faced by the industry, he said.

"By addressing these concerns and supporting the agar and attar producers, Moulvibazar can safeguard its reputation as a hub for high-quality perfumes."

Kabir Ahmed, general secretary of the Agar Attar Manufacturers and Exporters Association, said the demand for GI recognition has been fulfilled.

"Now other facilities should be provided to export agar and attar. Otherwise, it will be difficult to tap the actual growth potential of the industry."

Usually, consumers pay close attention to GI-certified products and are ready to pay more for them.

Urmi Binte Salam, deputy commissioner in Moulvibazar, said the whole matter would be communicated to the higher authorities.

She is hopeful that the issues facing the industry would be resolved.

Voices of change: women leading Bangladesh forward

MAHTAB UDDIN AHMED

In a small village, there was a debate over who should make decisions at home. A contest was held where a man and a wise old grandmother would catch a rabbit without any tools. Relying on his strength, the man ran through the forest, while the witty grandmother sat quietly, luring a rabbit with carrots. She caught a rabbit very easily, demonstrating how wisdom and patience often outperform brute strength.

The villagers learnt the power of intelligence over physical prowess and never to underestimate women again.

Our sub-continent movies and dramas often portray women as very vocal and loud in their expressions, which is perhaps influenced by cultural stereotypes and some traditional communication styles.

On the other hand, men are often depicted as oppressed and humiliated by women. This portrayal is far from reality. Rather, it is a social misrepresentation, an exaggerated and distorted image of women's empowerment, misleading and teaching wrong values to the young generation who are responsible for changing the world for a better tomorrow.

Globally, women's labour force participation rate is about 47 percent against 74 percent of their male counterparts. The statistics do not reflect the reality as, in many countries, women engage in informal employment. On average, women globally earn approximately 77 cents for every dollar earned by a man for work of equal value, indicating a persistent gender wage gap.



Bangladesh, on the other hand, has emerged as a leader in South Asia for gender equality, ranking first in the region with a score of 72.2 percent according to the Global Gender Gap Report 2023. This achievement reflects significant progress in political empowerment, education, and health, surpassing many developed countries.

Despite these advancements, challenges such as social norms, early marriage, dowry practices, and gender-based violence persist, calling for efforts to ensure women's safety and further empowerment.

To boost women's empowerment and independence, a holistic strategy is essential, encompassing better access to education and jobs, legal safeguards against gender-based violence and bias, and greater participation in decision-making and political involvement.

Greater initiatives are required for better healthcare and reproductive rights to remove challenges of limiting societal norms, ensure public and work area safety, improve skills in technology for information and market access, and promote financial inclusion via credit and financial services.

A collaborative effort from the government, NGOs, the private sector, and communities is crucial to fostering an environment that supports women's empowerment, which will significantly impact national progress.

Acknowledging the need for women's empowerment is one thing, and taking action is another. One of the first steps to make a difference is educating yourself and others on gender equality, followed by supporting women-led businesses, advocating for equal opportunities, and mentoring girls and women.

Necessary initiatives also include challenging gender stereotypes, backing educational programmes for girls, contributing to women's rights organisations, and advocating for a balanced work-life culture.

Those who work in multinational companies understand the crucial role of gender diversity, emphasising its impact on creativity, innovation, and overall performance. Gender-diverse teams offer varied perspectives and problem-solving approaches, enriching discussions and leading to innovative solutions and improved team dynamics.

Women's empowerment and independence are moral imperatives and strategic necessities for Bangladesh's development. Bangladesh can achieve sustained economic growth, social justice, and a more resilient society by investing in women's health, education, economic opportunities, and rights.

First and foremost is to believe in the capabilities and powers of women, just like the lesson taught by the old grandmother to the surprised villagers. Women have come a long way in a span of a few generations, breaking many glass ceilings and marching on with their torch held high.

The author is founder and managing director of BuildCon Consultancies Ltd.

'Asia's rapid digitalisation may pose new financial risks'

REUTERS, Tokyo

The rapid digitalisation of finance in Asia could pose new risks to financial system stability, Bank of Japan (BOJ) Governor Kazuo Ueda said on Wednesday, stressing the right balance is needed between the benefits and costs of financial innovation.

Digital financial services have spread dramatically in the Asia-Pacific region as many people living in emerging nations, who still do not have access to face-to-face financial services, jumped at the convenience of smartphones to make daily payments. While such developments enhance financial inclusion, they also heighten the need for policymakers to manage cyber-security risks and enhance anti-money laundering regulation, Ueda said.

"Crypto assets, tokenisation, artificial intelligence (AI), and other new technologies may bring opportunities, but they could also pose risks to the financial system," Ueda said in a keynote speech to the Asia-Pacific high-level meeting on bank supervision.

"A critical challenge for financial authorities lies in harnessing the advantages of the digitalization of finance while effectively managing risks to ensure the stability of the financial system," he said.

As financial services and providers continue to diversify, adopting the principle of applying equal regulation for the same type of financial activity and risk is increasingly important, Ueda said.

EU faces uphill battle to rein in big tech

AFP, Brussels

The EU's landmark curbs on how tech titans do business online kick in from Thursday, but just how far Brussels succeeds in bringing the giants to heel will hinge on bitter battles that still lie ahead.

Wielding a tough new legal arsenal, Brussels is determined to force a change in behaviour by the world's biggest tech firms, to create a more competitive online field that allows smaller players to flourish.

The bloc's new Digital Markets Act (DMA) will usher in a long list of do's and don'ts for six so-called "gatekeepers" designated by the European Union: Apple, Amazon, Google owner Alphabet, TikTok parent ByteDance, Meta and Microsoft.

"What we need right here from gatekeepers is changing behaviour," the bloc's competition commissioner Margrethe Vestager told AFP in an interview on the eve of the law coming into force.

The big six will have to tell Brussels about any buyout, large or small, as well as provide European users with more choices when they pick web browsers or search engines.

Users should also soon be able to send messages between apps, for example

from Meta's WhatsApp to services such as Signal or Telegram.

But experts warn enforcement represents a mighty challenge, and the EU already faces legal challenges, including from Apple, Meta and TikTok.

"Getting big tech to comply with these new rules will be an enormous task," Bram Vranken, researcher at Corporate

Europe Observatory, told AFP.

"Even now, almost eight years after the adoption of the GDPR — the EU's mammoth data protection law — the EU is still struggling in getting Facebook to respect the privacy of millions of people in Europe," Vranken added.

Brussels slapped a 1.2-billion-euro (\$1.3 billion) fine on Meta over data

privacy violations last year.

Separately, the EU on Monday hit Apple with a more than 1.8-billion-euro fine for violating the bloc's antitrust rules by preventing European users from accessing information about alternative, cheaper music streaming services.

When it comes to DMA enforcement, an EU official admitted to AFP that because of limited resources the European Commission, the bloc's powerful competition regulator would have to "pick and choose" which cases to pursue.

The commission would not comment on the claim.

Senior officials acknowledge it may not be realistic to expect total and instant compliance.

"We will see some compliance, full compliance by some companies. But I do think that there will be non-compliance cases," Vestager told AFP, adding that Brussels would not shy away from tougher action if necessary.

"If you look at our history, we have sort of made it credible that we will use the tools that we have," she said.

The EU's 27 states are pushing the commission to focus resources on enforcement — with at least nine major laws covering the digital space created since 2019.



The logos of Amazon, Apple, Facebook and Google are seen in this combination photo.

PHOTO: REUTERS/FILE