

## Summit Power posts Tk 87cr profit in Q2

STAR BUSINESS REPORT

Summit Power Ltd (SPL) recorded a profit of Tk 87.56 crore, up 8 percent year-on-year, in the October-December quarter of the fiscal year.

The profit was Tk 81.85 crore in the same period of the previous financial year.

As a result, the consolidated earnings per share (EPS) was Tk 0.82 in the second quarter of 2023-24, up from Tk 0.76 the previous year, according to a filing on the Dhaka Stock Exchange.

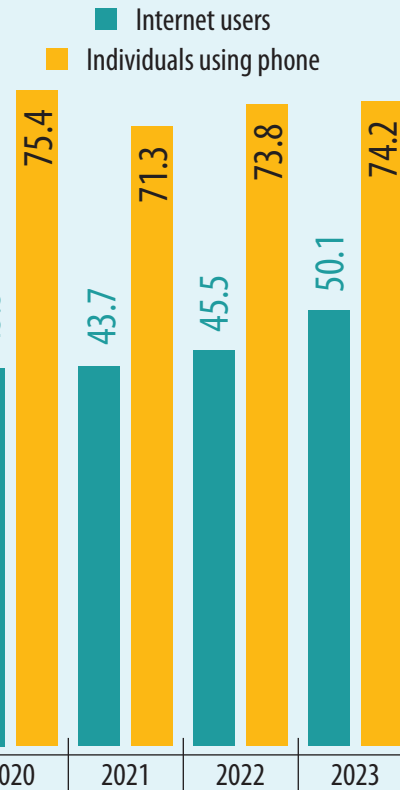
SPL's earnings for the first half of the financial year were Tk 182.60 crore, an increase of 9 percent from the previous year's Tk 167.65 crore. Thus, the half-yearly EPS rose to Tk 1.71 from Tk 1.57.

The private power producer also reported consolidated net operating cash flow per share of Tk 2.21 for July-December of FY24.



### Individuals (15 years+) who use phone and internet

In % of population; SOURCE: BBS



## Manage five basics of personal finance to grow your savings

JASIM UDDIN RASEL

When inflation is nearly 10 percent but the increase of income is lower than the rate, how a person then will manage his personal finance to save for the future?

Salaried persons are in the most vulnerable position as there is no Consumer Price Index (CPI) adjustment each year and if the salary rise at the end of the year is less than 10 percent.

The retired person or someone who also depends on the monthly interest income from deposits, they are not in a good position because banks offer a maximum 9 percent interest on deposits. Moreover, the interest income is reduced by 10 percent after deducting tax at source.

So, ultimately the return is a maximum of 8 percent.

In that situation, how will manage his personal finances?

Our personal finance is mainly surrounded by the simple five basics. Let's see how we can manage our five personal finances to grow our savings and investments to secure our future financial lives.

### Income

If your expenses are equal to or less than your monthly income during this high inflation period, you will have no savings or you will have a negative growth. This means you will have to manage spending by taking a loan from someone.

As the increase of your income from the current source is limited, you have to find a side hustle to increase your earnings, so that it goes above the monthly spending amount to save money.

### Spending

Spending is the main factor that wipes out our income and it's terrible when we see the price increasing every day.

The best solution to limit your spending is to scrutinise day-to-day expenses and identify the areas that are not required in order to stop spending in those segments in the upcoming months.

### Savings

If your income is handsome but your spending is uncontrollable, your large amount of income will not give you a good amount of savings. So, you have to balance your income and expenses.

Always try to manage your earnings and spending smartly to increase your savings.

### Investing

Investing is the next step after your savings. You may have short-term, mid-term and long-term savings goals and based on them you have to plan your investing decision.

It's usual that you will earn a higher rate of return from long term investments than short-term or mid-term investments due to the timeframe. So, make your decision based on your future financial requirements.

### Protection

Protecting your money is most important. If you put your money in place to get an unbelievable return overnight, it will be insecure. Sometimes, we read the news that investors' money has gone to bad people.

It's your money that you have saved day by day and it takes a long time. So, know about the organisation before investing, otherwise all your money will be gone in one night.

Jasim Uddin Rasel is the author of Smart Money Hacks.



## Boeing CEO to step down

REUTERS

Boeing CEO Dave Calhoun will step down by year-end, in a broad management shakeup brought on by the planemaker's sprawling safety crisis stemming from a January mid-air panel blowout on a 737 MAX plane.

The planemaker also said that Stan Deal, Boeing Commercial Airplanes President and CEO, would retire, and Stephanie Pope would lead that business. Steve Mollenkopf has been appointed the new chair of the board.

Calhoun's has been under pressure ever since the January 5 incident, when a door plug ripped off an Alaska Airlines flight about 16,000 feet above the ground.

The company is facing heavy regulatory scrutiny and US authorities curbed production while it attempts to fix safety and quality issues.

Last week, a group of US airline CEOs sought meetings with Boeing directors to express concern over the Alaska Airlines 737 MAX 9 accident, saying it was an unusual sign of frustration with the manufacturer's problems and Calhoun.

The company is in talks to buy its former subsidiary Spirit AeroSystems as well.

The company's crisis has frustrated airlines already struggling with delivery delays from both Boeing and its rival Airbus, and the planemaker has been burning more cash than expected in this quarter than expected.

"For years, we prioritised the movement of the airplane through the factory over getting it done right, and that's got to change," CFO Brian West said last week.

The company's main rival, Airbus, clinched orders for 65 jets from two of Boeing's key Asian customers recently, in what some saw as a sign of executives' concerns about Boeing.

Boeing shares were up 2.2 percent in premarket trading on the news.



Dave Calhoun

## Mobile phone ownership lower now than in 2020

MAHMUDUL HASAN

The percentage of individuals aged over 15 who own a mobile phone was lower in 2023 than in 2020 as the decline in ownership during the Covid-19 pandemic persisted due to grim economic conditions.

Only 74.2 percent of those aged over 15 owned a mobile phone in 2023, a slight decrease from 75.4 percent in 2020, according to the Bangladesh Sample Vital Statistics, a project run by the Bangladesh Bureau of Statistics.

At the height of the pandemic in 2021, mobile phone ownership among such individuals dropped by 4.1 percentage points to 71.3 percent, before increasing by 2.5 percentage points in 2022.

However, it rose only 0.4 percentage points last year as the nation was gripped by persistently high inflation.

"The majority of people in Bangladesh belong to the middle or lower-middle class, with monthly incomes below Tk 25,000. Economic uncertainty during and after the Covid-19 pandemic has left them with little disposable income, hindering their ability to afford important, if not essential, items like mobile phones," said Khondaker Golam Moazzem, research director at Centre for Policy Dialogue (CPD).

"These groups suffered job losses, business closures, and had to migrate to villages due to sustained inflation," said the economist.

He added that the absolute

number of mobile phone owners may match pre-pandemic levels, but the relative number might not considering the increase in population during this period.

"Providing mobile phones to this population requires extra initiatives, such as offering them at low or subsidised prices."

Another notable finding was that a significant gender gap in mobile phone usage had emerged in 2023.

Among males, 86 percent reported owning a mobile phone, while only 62.8 percent of females reported the same.

This discrepancy, which amounts to 23.2 percentage points, underscores a significant disparity in access to mobile technology among the genders.

The findings highlight the need for targeted interventions to address factors contributing to this gap and to ensure equitable access to mobile communication devices across all demographics.

The gender gap was also observed in urban areas in 2023, with 82 percent of males and 71.6 percent of females owning mobile phones. This equates to a 10.4 percentage point difference, emphasising the disparity between genders in urban settings.

Shahed Alam, Robi's chief corporate and regulatory officer, said that apart from economic factors, the number of mobile phone users had nearly reached a saturation point.

"There are around 11 million

unique subscribers in the country. We have reached near saturation, though not entirely. Thus, some market slowdowns were observed," he said.

Although there was substantial growth in the number of internet users in Bangladesh last year, the digital gap persisted, with rural-urban disparities in terms of internet access and the gender divide amplifying technological inequalities.

The number of internet users increased by 4.7 percentage points year-on-year to 41 percent for people aged above 15 in 2023.

About 51.9 percent of men had internet access in 2023 whereas only 39.7 percent of women could say the same, underscoring gender inequality in the digital landscape.

Syed Almas Kabir, former president of the Bangladesh Association of Software & Information Services (BASIS), said women have been displaying strong performance in online-based business, especially in e-commerce.

"They are selling products from villages. If the government can facilitate smooth internet services for them and ensure more women have internet access, it will revolutionise women's progress in the rural areas," he said.

In rural areas, 42.1 percent people had internet access in 2023, up from 37.1 percent a year earlier. Among them, 48.5 percent of males had internet access, a privilege enjoyed by only 35.9 percent of females.

## CHINA DEVELOPMENT FORUM

### Boost growth with pro-market reforms

IMF chief urges China

AFP, Beijing

The head of the International Monetary Fund on Sunday called on China to implement "a comprehensive package of pro-market reforms" to boost a sluggish economy beset by a housing market crisis, low domestic demand and persistently high youth unemployment.

Chinese policymakers have so far resisted calls to juice the economy through massive government stimulus, instead stressing the need to pivot towards "high quality" growth.

Speaking at the China Development Forum in Beijing on Sunday, IMF managing director Kristalina Georgieva said the "transition from high rates to high quality of growth is the right fork in the road to take and China is determined to do so".

The Bulgarian economist warned that "this transformation would not be easy", but argued that "with a comprehensive package of pro-market reforms, China

could grow considerably faster than a status quo scenario", according to an official transcript of her speech.

Beijing should take "decisive steps" to reduce the amount of unfinished housing and give more space for "market-based corrections" in the crucial but heavily indebted real-estate sector, Georgieva said.

Authorities should also boost "the spending power of individuals and families" by beefing up China's pension system and taking other steps to hone its vast social security apparatus, she added.

Georgieva also pushed China to strengthen "the business environment and (ensure) a level playing field between private and state-owned enterprises", a long-standing demand of overseas business groups operating in the Asian nation.

Top Chinese politicians have been outwardly bullish on the economy, with Premier Li Qiang telling Sunday's forum that Beijing would "take practical,

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### China and foreign CEOs dance ever trickier tango

REUTERS, Hong Kong

Beijing is awash with dance partners this week as CEOs of 100 or so multinational giants such as Apple and AMD gathered for the two-day China Development Forum. It's being held, though, as both sides try out different moves: foreign firms are looking to de-risk from China, whereas the government is pressing ahead with phasing out some overseas technology. That makes the increasingly uneasy relationship between the two sides primed for missteps.

Created in 2000 just before the People's Republic became a member of the World Trade Organization, the China Development Forum is committed to "engaging with the world for common prosperity". That ought to be music to a global audience's ears. And in his opening speech this year Chinese Premier Li Qiang hummed the right notes, reiterating his administration's efforts to attract foreign investors and welcome companies from all countries to deepen their foothold in China's \$18 trillion economy.

A shaky economic recovery and



Apple CEO Tim Cook speaks at the China Development Forum 2024 in Beijing on March 24.

PHOTO: REUTERS

escalating geopolitical tensions are taking a toll, though. Foreign direct investment fell by a fifth in the first two months of the year, per official data released on Friday, worse than the 8 percent decline in the whole of 2023.

That's not to say global giants are ready to turn their back on the world's second-largest economy. Apple CEO Tim Cook said last week

that no supply chain is as critical to the \$2.7 trillion company as China's. Sure, the iPhone maker is shifting some of its manufacturing contracts elsewhere, but more than 75 percent of its 200 major suppliers still maintain production in the country.

Chinese leaders, meanwhile, seem keen to engage directly with the West's business elite. The Wall Street Journal reported that Cook, HSBC's Noel Quinn and others are due to dine with Xi Jinping this week, months after China's leader broke bread with corporate titans on a visit to San Francisco. More hazards are appearing on the dance floor, though.

Washington has for several years been spearheading a campaign to exclude Chinese technology firms like Huawei and SMIC from global networks, and to prevent the country getting hold of the most advanced semiconductors. Beijing wants to delete US products from its turf, too; the Financial Times reported on Sunday, for instance, that AMD and Intel microprocessors are now being phased out from government computers and servers.