

US services activity shrinks

AFP, Washington

Activity in the US services sector contracted last month, a first since December 2022, on the back of a cooldown in business and slower growth in orders, according to survey data released Friday.

The services index of the Institute for Supply Management (ISM) slipped unexpectedly to 49.4 percent in April, dipping below the 50-point mark separating growth from contraction.

Analysts generally expected the sector to continue growing.

The reading was a shift from March's reading of 51.4 percent and ended a stretch of 15 straight months of growth.

"The decline in the composite index in April is a result of lower business activity, slower new orders growth, faster supplier deliveries and the continued contraction in employment," said ISM survey chair Anthony Nieves.

The business activity index slid 6.5 percentage points to 50.9 percent in April while the new orders index dropped 2.2 percentage points to 52.2 percent.

Meanwhile, the employment index contracted for the fourth time in five months, said ISM.

Survey respondents indicated that business is generally slowing overall, said Nieves.

"The majority of respondents indicate that inflation and geopolitical issues remain concerns," he added.

House Building Finance gets Tk 3,200cr from IsDB

STAR BUSINESS DESK

Bangladesh House Building Finance Corporation (BHBFC) recently signed an agreement with the Islamic Development Bank (IsDB) under which the former will get around Tk 3,200 crore from the latter.

BHBFC will invest the funds in accordance with Islamic Shariah for the construction of planned, sustainable, eco-friendly, and affordable housing for the low and lower-middle class population in rural and urban areas of Bangladesh.

Md Shahrir Kader Siddiky, secretary to the Economic Relations Division of the ministry of finance, and Mansur Muhtar, vice-president of IsDB, penned the deal at the annual meeting of IsDB's board of governors in Riyadh, according to a press release.

The money will be available for the implementation of the second phase of the BHBFC's "Rural and Peri-Urban Housing Finance Project".

The money will be released at the beginning of financial year 2024-25 and the implementation of the project will be completed in five years.

According to the agreement, the investment will support the protection of cultivable land and ensure the best use of land.

It will also support adaptation and mitigation of climate challenges and reduction of greenhouse gas emissions,



PHOTO: BANGLADESH HOUSE BUILDING FINANCE CORPORATION

Md Shahrir Kader Siddiky, secretary to the Economic Relations Division of the finance ministry, and Mansur Muhtar, vice-president of Islamic Development Bank (IsDB), sign an agreement at the IsDB's board of governors' annual meeting in Riyadh, the capital of the Kingdom of Saudi Arabia, recently.

which will play a significant role in the socio-economic development of the country.

Among others, Abul Hassan Mahmood

Ali, minister for finance, and Muhammad Sulaiman Al Jasser, chairman of the Islamic Development Bank Group, were also present.

Mahbubur Rahman re-elected as chairman of Eastland Insurance

STAR BUSINESS DESK

Mahbubur Rahman has been re-elected chairman of Eastland Insurance Company for another three-year term.

Rahman is the founder chairman of the insurer and International Publications Limited and chairman of the National Housing Finance & Investments Ltd.

He is also the chairman of ETBL Holdings and its subsidiaries, the insurer said in a press release.

He is a former president of the Federation of Bangladesh Chambers of Commerce and Industry and the Dhaka Chamber of Commerce and Industry and chairman of National Bank.

He was honoured as the Presidential Friend of Indonesia in 2012 in Jakarta by Susilo Bambang Yodono, then president of Indonesia.

He was awarded "The Lifetime Achievement Award in 2012 by the "DHL-The Daily Star" at the Bangladesh Business Awards.

Rahman has been honoured by The Daily Star as an "Eminent Personality for Lifetime Contribution to Nation-Building" in 2016.

He has been awarded the "FBCCI Business Excellence Award 2023" during the FBCCI's 50th anniversary celebration at the Bangladesh Business Summit.



Oil settles down

REUTERS

Oil prices settled lower on Friday, and posted their steepest weekly loss in three months as investors weighed weak US jobs data and possible timing of a Federal Reserve interest rate cut.

Brent crude futures for July settled 71 cents lower, or 0.85 percent, to \$82.96 a barrel. US West Texas Intermediate crude for June fell 84 cents, or 1.06 percent, to \$78.11 a barrel.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (MAY 5, 2024)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 64-Tk 76	-7.1 ↓	3.70 ↑
Coarse rice (kg)	Tk 50-Tk 54	1.96 ↑	8.33 ↑
Loose flour (kg)	Tk 40-Tk 45	-2.30 ↓	-24.78 ↓
Lentil (kg)	Tk 105-Tk 110	0	13.16 ↑
Soybean (litre)	Tk 145-Tk 155	1.69 ↑	-12.54 ↓
Potato (kg)	Tk 50-Tk 55	23.53 ↑	56.72 ↑
Onion (kg)	Tk 65-Tk 75	47.37 ↑	33.33 ↑
Egg (4 pcs)	Tk 40-Tk 42	-1.20 ↓	-10.87 ↓

SOURCE: TCB

Architects honoured at IAB awards

STAR BUSINESS DESK

The Institute of Architects Bangladesh (IAB) recently honoured architects for their contribution to the country in different categories.

Partnered by Asian Paints Bangladesh, the IAB this year conferred three types of awards - "IAB Gold Medal 2023", "IAB Awards 2023", and "IAB Interior Design Awards 2023".

IAB's highest award for architects is the "IAB Gold Medal", which is given every two years to architects for their lifetime contributions.

Mahmudul Anwar Riyaad, Mamnoon Murshed Chowdhury, Daniel Haque, and Mazhar Uddin Ahmed Chowdhury won the "IAB Interior Design Awards 2023" in the retail category for their project "PMG Gallery, Tejgaon".

Mustafa Ameen, Md Kaisar Hossain, Kazi Meftahul Arefin, Adnan Ferdous Haque, and Mahmud Hossain received the award in the hospitality and healthcare category for their project "Sairu Hill Resort, Bandarban".

The "IAB Awards 2023" went to Md Mohataz Hossain in the research category for his research, titled "Thermal comfort



PHOTO: INSTITUTE OF ARCHITECTS BANGLADESH

Prof Khandaker Shabbir Ahmed, president of the Institute of Architects Bangladesh, and Budhaditya Mukherjee, country head of Asian Paints, pose for photographs with award-winning architects at the IAB awards in Dhaka recently.

guidelines for production spaces within multi-storey garment factories located in Bangladesh", and Nasreen Hossain and Mahmudul Anwar Riyaad in the publication category for a publication titled "Fifty Years of Architecture in Bangladesh".

The judges selected two projects from the conservation and revitalisation

category for the "IAB Awards 2023".

Abu Sayeed M Ahmed, Md Sarwar Hossain, Md Khaled Shams Khan and Md Masrur Mamun Hossain were awarded for their project, "Conservation of Baro Sarder Bari, Sonargaon", and Naim Ahmed Kibria, Asia Karim, Mohammad Mahmudul Islam and Md Bapparaj

Chowdhury were awarded for their project, "Meer Manzil, Mohammadpur, Dhaka".

Among others, Prof Khandaker Shabbir Ahmed, president of the IAB, Nabi Newaz Khan, general secretary, and Budhaditya Mukherjee, country head of Asian Paints, were also present.



SM Parvez Tamal, chairman of NRBC Bank, presides over the 183rd board of directors meeting, which was held virtually recently. The meeting declared a 11 percent cash dividend for the year 2023.

PHOTO: NRBC BANK

Meghna Bank opens unit to extend banking support to airlines

STAR BUSINESS DESK

Meghna Bank recently launched a business unit tailored to airline companies to extend their end to end (e2e) banking support.

Kazi Ahsan Khalil, managing director and CEO of the bank, inaugurated this specialised unit at the bank's head office in Dhaka, the bank said in a press release.

Senior executives of top airlines, including Emirates, Qatar Airways, Gulf Air, Thai Airways, China Eastern Airlines, and Kuwait Airways attended the event.

This event signifies the bank's commitment towards the pivotal role of nurturing the mutually beneficial relationships with this industry.

Among others, Kimiwa Saddat, deputy managing director of the bank, along with senior officials from the bank and the major airlines were also present.



Kazi Ahsan Khalil, managing director and CEO of Meghna Bank, poses for photographs after inaugurating a business unit tailored for airlines at the bank's head office in Dhaka recently.

PHOTO: MEGHNA BANK

NRBC Bank declares 11% cash dividend

STAR BUSINESS DESK

NRBC Commercial (NRBC) Bank declared an 11 percent cash dividend for the year that ended on December 31, 2023.

The announcement came at the bank's 183rd board of directors meeting, which was held virtually recently, the bank said in a press release.

SM Parvez Tamal, chairman of the bank, presided over the meeting.

The meeting also approved audited financial statements and set the date for the 11th annual general meeting of the bank, which will be held on June 13.

According to the balance sheet, the consolidated earnings per share and net asset value of the bank increased in December 2023 compared to the previous year.

The consolidated EPS in the January-December period of FY23 stood at Tk 2.40, which was Tk 2.33 in 2022.

The consolidated NAV was Tk 1,456.6 crore at the end of December 2023 compared to Tk 132.7 crore in 2022.

Rafikul Islam Mia Arzoo, vice-chairman of the bank, Mohammed Adnan Imam, AKM Mostafizur Rahman, Mohammed Oliur Rahman, AM Saidur Rahman, Loquit Ullah and Mohammed Nazim, directors, and Air Chief Marshal (ret'd) Abu Esrar and Raad Mozib Lalon, independent directors, were present.

6 firefighters get 'Nirbhik Sanmanana 2024' award

STAR BUSINESS DESK

Six firemen have been honoured by RTV in collaboration with RR Kabel with the "Nirbhik Sanmanana 2024" award for risking their lives to save other people and their property.

Samanta Lal Sen, minister for health and family welfare, handed over the award to the winners at the Bengal

Multimedia Studio in the capital's Tejgaon on Saturday, according to a press release.

"I have seen many fire service workers injured and in very critical condition after taking part in rescue operations," said Sen.

"You have to see their contributions to believe it. I am grateful to RTV and RR Kabel for honouring them," he added.



Samanta Lal Sen, minister for health and family welfare, poses for photographs with recipients of "Nirbhik Sanmanana 2024" at Bengal Multimedia Studio in the capital's Tejgaon area on Saturday.

PHOTO: RR KABEL

Inditex's golden era

FROM PAGE B4

The European grocery market offers a cautionary tale. Established supermarkets once viewed German discounters Aldi and Lidl through the same lens as clothing retailers see Shein. They dismissed budget chains as giving customers a low quality, restricted offering which would therefore never make inroads in the middle market. But after the 2008 financial crisis shoppers became more cost-conscious and Aldi and Lidl invested heavily in their product range.

In the past 10 years the two German players have expanded their share of the UK grocery market by a combined total of nearly 11 percentage points, according to data from Kantar, opens new tab. All the traditional grocers, including market leader Tesco have lost ground. The same dynamic could play out in apparel.

Inditex is not sitting still. It's attempting to fend off competition from Shein by expanding its low-price label called Lefties, which once sold excess dresses and bags from Zara. In what looks like a race to the bottom, the Spanish group is now designing clothes specifically for this outlet.

A smarter move would be to copy the best bits of its Asian rival's model. The cheap

fashion retailer's hottest selling point is its ability to engage digitally with customers. Shein became the most downloaded shopping app in the US in 2022, beating out Amazon.com and Walmart, according to data from Apptopia. Zara did not even feature in the top 10.

Christina Fontana, Shein's senior director in charge of brand operations, told the World Retail Congress last month young women come to the site and app multiple times a day to "play". Inditex's growth strategy seems to focus on revamping stores and connecting its online offering with its physical outlets. That will keep its existing customer base engaged. But to appeal to a younger audience, it may need to spend some of its 11 billion euro cash reserve to improve digital interaction.

Zara could also use artificial intelligence to track the popularity of garments, instead of its current model of relying more on store managers. Shein uses AI, opens new tab to analyse data like web searches and social media posts which are then sent to product designers. This means a new garment could be produced within days rather than weeks, and allows the retailer to keep inventory at a minimum.