

Japan's inflation ticks up to 2.5% in May

AFP, Tokyo

The pace of Japanese inflation accelerated in May partly due to higher energy bills, government data showed Friday, as analysts speculate on the timing of the Bank of Japan's next rate hike.

The Consumer Price Index (CPI) — which excludes volatile fresh food prices — rose 2.5 percent year-on-year, compared with the 2.2 percent logged in April by the internal affairs ministry.

The ministry said that “energy, including electricity and gas bills, contributed” to the acceleration, which was slightly lower than market expectations of 2.6 percent.

While the United States and other major economies have battled sky-high inflation in recent years, price rises in Japan have been less extreme.

The Bank of Japan is targeting sustainable, demand-driven inflation of two percent. While the CPI has been above this target since April 2022, the central bank has warned it was due to unstable factors such as the war in Ukraine.

Recently, however, the BoJ has taken cautious steps away from its long-standing ultra-loose monetary policies.

Bank Asia declares 15% cash dividend

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Bank Asia announced a 15 percent cash dividend for the year that ended on December 31, 2023.

The announcement came at the bank's 25th annual general meeting (AGM), which was held virtually yesterday.

Romo Rouf Chowdhury, chairman of the bank, presided over the meeting, the bank said in a press release.

Mohd Safwan Choudhury and Zakia Rouf Chowdhury, vice chairmen of the bank, Rumea A Hossain, chairman of the board executive committee, and MA Baqui Khalily, chairman of the board audit committee and board risk management committee, were present.

Farhana Haq, Enam Chowdhury, Ashraf Haq Chowdhury, Md Abul Quasem, Helal Ahmed Chowdhury and Nafees Khundker, directors of the bank, and Sohail RK Hussain, managing director, attended the event.

The shareholders expressed their satisfaction with the overall performance of the bank and approved the accounts for the year 2023.

SM Anisuzzaman, company secretary of the bank, along with other senior officials and a large number of shareholders joined the AGM.



Romo Rouf Chowdhury, chairman of Bank Asia, presides over the bank's 25th annual general meeting, which was held virtually yesterday. The meeting announced a 15 percent cash dividend for 2023. PHOTO: BANK ASIA

Germany urges China to shift from coal power

REUTERS, Hangzhou

German Economy Minister Robert Habeck said on Sunday that China was indispensable to achieving global climate goals and must find a safe alternative to coal, which accounted for nearly 60 percent of China's electricity supply in 2023.

Officials told Habeck that China was expanding coal production for security reasons, the minister told reporters in the southern city of Hangzhou, the day after meeting Chinese officials in Beijing.

“China also imports large amounts of gas and oil and China has already seen what has happened in Europe and Germany in the last two years,” he added, referring to the energy crisis triggered by Russia's full-scale invasion of Ukraine.

He said cooperation with China must be strengthened, adding: “Without China it would not be possible to meet the climate targets globally”.

“You don't have to teach them that CO2 emissions are bad for the climate. They've got that,” Habeck said, adding that it should be possible to achieve the same level of security with fewer coal-fired power plants.

Later, Habeck told students at the university of Zhejiang that the difficulty lay in integrating variable forms of energy such as wind and solar into a system built to work on more predictable fuels, adding: “That is basically my work.”

He said that doubling capacities was “the old way” of doing it, but not the most efficient.

China is expanding its coal production but also installed almost 350 gigawatts (GW) of new renewable energy capacity in 2023, more than half the global total.

Habeck said extension of the power grid and use of batteries to store energy could reduce the number of traditionally fuelled power plants needed to meet China's needs, adding that economic growth and climate action were not opposites.

“Transforming the economy to a climate-neutral one is not only good for the climate but creates new opportunities for wealth and growth,” Habeck said.

Midland Bank launches ‘MDB digital secured credit card’

STAR BUSINESS DESK

Midland Bank (MDB) recently launched a new financial service named “MDB Digital Secured Credit Card” for its customers.

Md Ahsan-uz Zaman, managing director and CEO of the bank, unveiled the card at the bank's head office in the capital's Gulshan, said a press release.

Zaman in his speech expressed gratitude to the officials of the bank for implementing this technology-based service.

“MDB has always been active in implementing technology-based solutions. The bank offers multiple customised solutions to its valued customers to meet their varied needs,” he said.

“This digitised version of MDB secured credit card is the newest addition under the technological advancement of the bank.”

The bank's customers will be able to apply for and obtain a secured credit card against their DPS/FDR through MDB's mobile app “midland online”.

Among others, Md Zahid Hossain, deputy managing director of the bank, Nazmul Huda Sarkar, chief technology officer, Md Rashed Akter, head of retail distribution division, and Md Abed-Ur-Rahman, head of cards, were also present.



Md Ahsan-uz Zaman, managing director and CEO of Midland Bank, poses for photographs after inaugurating “MDB Digital Secured Credit Card” at the bank's head office in the capital's Gulshan recently. PHOTO: MIDLAND BANK

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (JUNE 23, 2024)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 68-Tk 78	7.35 ↑	8.15 ↑
Coarse rice (kg)	Tk 50-Tk 54	4.00 ↑	6.12 ↑
Loose flour (kg)	Tk 40-Tk 45	6.25 ↑	-20.56 ↓
Lentil (kg)	Tk 105-Tk 110	0	13.16 ↑
Soybean (litre)	Tk 150-Tk 155	3.39 ↑	-10.82 ↓
Potato (kg)	Tk 55-Tk 60	11.65 ↑	57.53 ↑
Onion (kg)	Tk 85-Tk 90	20.69 ↑	29.63 ↑
Egg (4 pcs)	Tk 50-Tk 54	6.12 ↑	11.83 ↑

SOURCE: TCB



Tarique Afzal, managing director of AB Bank, cuts a ribbon to inaugurate a sub-branch on Pulhat Road under Dinajpur Municipality yesterday. PHOTO: AB BANK

AB Bank opens sub-branch in Dinajpur

STAR BUSINESS DESK

AB Bank opened a sub-branch on Pulhat Road under Dinajpur municipality yesterday.

Tarique Afzal, managing director of the bank, inaugurated the sub-branch as chief guest, the bank said in a press release.

High officials of the bank and local dignitaries, among others, were also present on the occasion.

IT exports decline

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As a result, we are losing potential markets and business opportunities.”

Industry people said Bangladesh is poised to miss its target to export IT products worth \$5 billion by 2025.

“Our revenue hasn't decreased, but revenue growth has slowed,” said Raisul Kabir, CEO of Brain Station 23, one of the largest software companies in Bangladesh.

Securing contracts has become more challenging and competitive due to a recession-like situation in the global software market, he said.

“However, this is the second consecutive year that growth has slowed, but I believe this slowdown will end soon,” he added.

Mashroor said another reason for the low exports is that most export-oriented IT firms in Bangladesh are small.

There are fewer than 50 export-oriented IT companies that have at least 100 employees, while there is no firm with more than 1,000 staff members, he said.

“In India, there are over a hundred export-oriented companies that are employing more than 50,000 engineers. Since Bangladeshi companies are small in size, they don't win big orders that can give them large revenue.”

“If we want to hit the \$5 billion target, we need to have a minimum of 100 companies employing more than 1,000 engineers.”

Beyond Nvidia

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Groq CEO Jonathan Ross told AFP that Nvidia won't be the best at everything, even if they are uncontested for generative AI training.

“Nvidia and (its CEO) Jensen Huang are like Michael Jordan... the greatest of all time in basketball. But inference is baseball, and we try and forget the time where Michael Jordan tried to play baseball and wasn't very good at it,” he said.

Another opportunity will come from highly specialized AI that will

provide expertise and know-how based on proprietary data which won't be co-opted by voracious big tech.

“Open AI and Google aren't going to build a structural engineer. They're not going to build products like a primary care doctor or a mental health therapist,” said Khosla.

Profiting from highly specialized data is the basis of Cohere, another of Silicon Valley's hottest startups that pitches specifically-made models to businesses that are skittish about AI veering out of their control.

Cash is leaving

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Foreigners who had returned to the market since February, after quitting in 2023, have turned sellers to this month, pulling out 33 billion yuan (\$4.54 billion) via the northbound leg of the Stock Connect Scheme.

Domestic investors have used the southbound leg to pump 129 billion yuan into Hong Kong.

Analysts say investors have several reasons to pause and reflect, not just about how far the People's Bank of China will ease rates, but also on the

approaching July plenum of China's Communist Party to shape economic and fiscal policy.

Chi Lo, senior market strategist for Asia-Pacific at BNP Paribas Asset Management, said foreign funds, though now positioned neutral on Chinese stocks, are turning positive.

“Beijing is likely to keep the easing measures more progressive than they were in the 18 months, in my view, and the plenum will likely reiterate that policy direction,” Lo said.

Exim Bank opens relocated Chattogram EPZ branch

STAR BUSINESS DESK

Exim Bank recently opened its relocated Chattogram EPZ (CEPZ) branch.

Mohammad Feroz Hossain, managing director and CEO of the bank, inaugurated the branch as chief guest at the Commercial Complex of Chattogram Export Processing Zone in the port city, the bank said in a press release.

Hossain said Exim Bank always prioritises the needs of customers, and this is why, the CEPZ branch has been shifted to the new location.

Md Zoshim Uddin Bhuiyan, deputy managing director of the bank, SM Abu Zaker, additional deputy managing director, Sheikh Md Abdun Noor, acting executive director of Chattogram EPZ, and Mustafa Mahmud, managing director of JMS Group, were present.

Among others, Anisur Rahman Chowdhury, regional manager for Chattogram of the bank, and Sanjib Chatterjee, head of corporate affairs, branding division and marketing division, were also present.



Mohammad Feroz Hossain, managing director and CEO of Exim Bank, cuts a ribbon to inaugurate the bank's relocated Chattogram EPZ branch in the port city recently. PHOTO: EXIM BANK