

Govt to buy 30,000 tonnes of diesel from India

STAR BUSINESS REPORT

The cabinet committee on government procurement yesterday approved the purchase of 30,000 tonnes of diesel from India and one cargo liquefied natural gas (LNG) from the spot market through Switzerland's TotalEnergies.

According to the meeting minutes, diesel will be purchased from India's Numaligarh Refinery Limited between July and December this year through the India-Bangladesh Friendship Pipeline at a cost of Tk 273.67 crore.

M/S TotalEnergies Gas and Power Ltd will supply the LNG cargo at Tk 583.56 crore, where per unit (MMBtu) will cost at \$12.58, which was \$13.56 last month.

Besides, the committee approved the purchase of different kinds of refined oil under different agreements with Oman, China, Malaysia, Thailand, UAE and Indonesia worth Tk 16,484 crore.

Every year, Bangladesh consumes around 50 lakh tonnes of diesel and Petrobangla purchases 12-15 cargoes of LNG from international spot market.



The Bangladesh Bureau of Statistics (BBS) has started running the fourth economic census from this month, going door to door collecting relevant information about the residents, beginning with their profession or source of income. The census will run until the end of next year. The photo was taken at Mohammadpur in Dhaka yesterday.

PHOTO: PRABIR DAS

Stocks drop amid profit booking

STAR BUSINESS REPORT

Shares in Bangladesh dropped for a second consecutive day yesterday as skittish investors chose to sell off their scrips to make a quick gain.

The DSEX, the major index of Dhaka Stock Exchange (DSE), went down by 1.11 percent from that on the day before to close at 5,506.67.

Likewise, the DSES, the index that represents Shariah-compliant companies, dropped 11.95 points, or 0.98 percent, to 1,207.53.

Meanwhile the DS30, the index that is composed of blue-chip firms, slipped 15.77 points, or 0.80 percent, to 1,942.36.

The day's turnover, meaning the total value of shares changing hands, decreased 31.32 percent to Tk 664 crore.

The pharmaceutical sector dominated with an 18.14 percent share of the turnover.

Sea Pearl Beach Resort and Spa was the most traded share with a turnover of Tk

24.5 crore.

Another 5.3 percent was contributed by block trades, meaning high-volume transactions of securities that are privately negotiated and executed outside of the open market.

Of the 397 issues that changed hands on the DSE, 36 advanced, 343 declined and 18 did not witness any price movement.

Chittagong Stock Exchange also saw a similar trend as the Caspi, the broad index of the premier bourse of the port city, shed 128.06 points to reach 15,757.61 points.

BRAC EPL Stock Brokerage in its daily market update said all the sectors that account for large amounts in market capitalisation, which is the total value of their shares at present, posted a negative performance.

Non-bank financial institutions (NBFIs) experienced the highest loss of 2.31 percent, followed by engineering (1.81 percent), fuel and power (1.54 percent) and food and allied (1.21 percent).

Losses were also suffered by telecommunications (1.08 percent), banking (0.97 percent) and pharmaceuticals (0.71 percent).

Aftab Automobiles topped the gainers' chart of large-cap companies with a rise of 0.65 percent, according to LankaBangla Financials.

Of the 397 issues that changed hands on the DSE, 36 advanced, 343 declined and 18 did not witness any price movement

Midland Bank, Pragati Life Insurance, Oimex Electrode, Dalfodil Computers, Deshbandhu Polymer, Shahjalal Islami Bank, Gemini Sea Food, Reckitt Benckiser Bangladesh and Sonali Paper and Board Mills were also on the same chart.

Beximco Pharmaceuticals led the chart comprising those suffering losses with a drop of 5.33 percent, followed by BAT

Bangladesh and Beacon Pharmaceuticals with 2.64 percent and 2.44 percent respectively.

Olympic Industries, Eastern Bank, Best Holdings, Robi Axiata, City Bank, Renata and LafargeHolcim Bangladesh also displayed a negative performance of more than one percent.

Market capitalisation decreased for travel and leisure, bank, and paper and printing scrips, according to the daily market update by Shanta Securities.

However, it rose for only jute stocks.

Overall, Global Heavy Chemicals took the first place on the gainers' list with an increase of 9.88 percent followed by Salvo Chemical Industry, Oimex Electrode, NRB Bank, Midland Bank, and Standard Ceramic Industries.

BBS Cables and Linde Bangladesh shed the most, losing three percent each.

Delta Life Insurance Company, Eastern Housing, RN Spinning Mills, Green Delta Insurance, Standard Bank and Union Insurance Company also suffered losses.

Broad approach required to face AI's ethical challenges: Palak

STAR BUSINESS REPORT

There needs to be a multifaceted approach to address the ethical challenges posed by artificial intelligence (AI), said State Minister for ICT Division Zunaid Ahmed Palak.

AI should be used to close the gap on digital divides and empower society, rather than worsen existing inequalities, he said.

He also called for robust policy frameworks, regulatory measures and international cooperation to address these challenges.

The minister made these remarks at a "National Stakeholder Consultation on Assessing AI Readiness of Bangladesh", organised by the ICT Division in partnership with Unesco and Aspire to Innovate (a2i) at the ICT Tower in the capital recently.

The event highlighted the country's proactive approach in integrating AI to achieve its Sustainable Development Goals, according to a press release from the ICT Division.

The government is focusing on capacity building and regulatory frameworks and policies that ensure the ethical deployment of AI technologies, it read.

This is being achieved through collaborations with international organisations such as the United Nations Educational, Scientific and Cultural Organization (Unesco) and the United Nations Development Programme (UNDP), it added.

Md Shamsul Arefin, secretary of the ICT division, said AI can positively contribute to society through the ethical use of its transformative powers.

Md Mahmudul Hossain Khan, secretary on coordination and reforms to the Cabinet Division, stressed the significance of identifying gaps, opportunities and challenges in AI adaptation to formulate effective and sustainable strategies.

The event also featured insights from international representatives.

Charles Whiteley, ambassador and head of delegation of the European Union in Bangladesh, and Huhua Fan, OIC head of the Unesco Office in Dhaka, noted the importance of a comprehensive evaluation of AI readiness.

STOCKS		
DSEX ▼	CASPI ▼	
1.10% 5,506.78	0.80% 15,757.60	

COMMODITIES		
Gold ▲	Oil ▲	
\$2,381.59 (per ounce)	\$82.51 (per barrel)	

ASIAN MARKETS				
MUMBAI	TOKYO	SINGAPORE	SHANGHAI	
▼ 0.12% 79,831.98	▲ 0.94% 42,224.02	▲ 0.56% 3,479.20	▲ 1.06% 2,970.39	

US tightens steel, aluminum import rules to curb China tariff evasion

AFP, Washington

The United States unveiled stricter rules Wednesday on steel and aluminum imports from Mexico, moving to prevent China-origin goods from avoiding tariffs.

The election-season actions by President Joe Biden's administration mark the latest in efforts to guard against excess industrial capacity in China, which Washington has warned could bring a flood of unfairly priced goods to other markets.

China accused the United States of "protectionism," denying talk of overcapacity in its steel and aluminum sectors.

Steel arriving via Mexico will qualify for duty-free benefits only if melted and poured in that country, or in the United States or Canada, White House National Economic Advisor Lael Brainard told reporters. Otherwise, they will face tariffs of 25 percent.

Aluminum imports from Mexico that contain primary aluminum smelt or cast in China, Belarus, Iran or Russia will also face a 10 percent tariff.

Mexico will require importers to provide information about the products' countries of origin.

"These actions fix a major loophole that the previous administration failed to address, and that countries like China use to avoid US tariffs by shipping their products through Mexico," Brainard said.

She charged that "Chinese steel and aluminum entering the US market through Mexico evades tariffs, undermines our investments and harms American workers in states like Pennsylvania and Ohio."

As Biden's reelection bid enters a critical stage, the president has been working to win over voters in swing states including Pennsylvania.

"China and other nations must not be allowed to exploit trade with our neighbors in order to avoid US trade enforcement," said Scott Paul, president at the Alliance for American Manufacturing.

But Liu Pengyu, spokesman of the Chinese embassy in the United States, criticized the argument of overcapacity as a "political tool" to "suppress the Chinese economy."

A senior US official conceded the latest measures are "forward-looking."

Nearly 90 percent of some 3.8 million tons of steel imports from Mexico is already melted and poured in either the United States, Canada or Mexico, an official said on condition of anonymity.

Similarly, of the 105,000 metric tons of aluminum from Mexico, 94 percent was smelted or cast in the three North American countries.

But officials maintained China was producing beyond domestic demand, saying excess capacity is bound to be exported – potentially impacting other markets.

"These joint actions with Mexico will help to ensure the long-term viability of our steel and aluminum industries," said US Trade Representative Katherine Tai.

The Treasury's under secretary for international affairs, Jay Shambaugh, told an event in Washington that the United States is not alone in trying to combat negative spillovers from China's "non-market practices."

In May, the United States announced steep tariff hikes on Chinese imports including electric vehicles and semiconductors.

Exports actually fell

FROM PAGE B1

The billion worth of shipments for the month.

The BB unveiled the export data in its weekly selected economic indicators, a week after it said actual exports in July-April of FY24 were nearly \$14 billion below the shipment value reported by the EPB.

The mismatch comes as the BB found six types of statistical wrongdoing for the inflated export data. Anomalies range from serial duplication errors to miscalculations of the value of fabrics to repeated miscounts of sample items as exports.

The central bank said exports fell 6.8 percent during the 10-month period against the EPB's claim of a 3.93 percent increase.

The discrepancy in export data came to the BB's notice over the last

year as the gap has widened. The difference has been growing for at least 12 years, with the gap crossing \$12 billion in 2022-23.

At a consultation meeting with stakeholders at the BB headquarters on Wednesday, BB Governor Abdur Rouf Talukder said the export data has been corrected.

"Now the release of accurate export figures will continue," he said, adding a new methodology had been developed by the EPB, the National Board of Revenue, and the BB to report the actual export earnings.

Under the initiative, a platform will be developed to publish real-time data on exports to ensure data accuracy. As per the plan, the NBR will supply the daily export data to the EPB, and the BB will compute it based on the real-time exchange rate.

Experts identify challenges

FROM PAGE B1

Yusuf Haque, chief technology officer and co-founder of eXo Imaging Inc., presented the keynote paper.

M Rokonuzzaman, a professor of the department of electrical and computer engineering at North South University, gave a presentation.

Habibullah N Karim, senior vice-president of MCCI, said the report would serve as more than an academic guide for the semiconductor industry because it also provides guidance on mobilising investment, policy framework, and resources.

Farooq Ahmed, secretary-general and CEO of MCCI, moderated the event, where Kamran T Rahman, MCCI president, and Simeen Rahman, MCCI vice-president, also spoke.

Farooq Ahmed, secretary-general and CEO of MCCI, moderated the event, where Kamran T Rahman, MCCI president, and Simeen Rahman, MCCI vice-president, also spoke.

Shahed Alam, Robi's chief corporate and regulatory officer, said: "We would humbly like to state that according to the rigorous test carried out by BTRC and our own technology team, Robi has been found to be offering better

quality of service than what is expected as per the QoS regulation.

"The show-cause notice thus comes as a surprise for us. The critical point here is that the show-cause notice is made in reference to the unreasonably stringent interim QoS directive issued by the regulator.

"We believe that the existence of such an interim directive on QoS while we have a clearly defined QoS regulation for the same only creates confusion and inconsistency in the regulatory framework for ensuring QoS for our customers.

NBR makes five-year plan to modernise customs

FROM PAGE B1

plan for 2024-2028 at InterContinental Dhaka yesterday.

Senior Secretary of the Internal Resources Division and NBR Chairman Abu Hena Md Rahmatul Muneen, Asian Development Bank Country Director Edimon Ginting, Member of Customs Modernisation Farzana Afrose and other officials were also present in the workshop.

The customs authority said significant progress has been made in the implementation of customs modernisation strategic action plans for 2019-2022 and 2014-2017 and scope for further development is there.

"The Strategic Plan 2024-2028 will build upon the implemented and ongoing reforms and propel the transformation of Bangladesh customs wing towards realising the vision of the smart customs wing by 2041," it said.

The NBR said Bangladesh has made impressive progress on both social and economic spheres in

recent years.

The nation is set to graduate from the least developed country category by 2026.

"As part of enhancing trade competitiveness and preparedness for graduation, timely implementation of this plan will play a crucial role in transforming our customs operations into smart customs, underpinned by modern technology and processes, steering the country towards becoming Smart Bangladesh by 2041."

The customs authority said it has already framed the Customs Act 2023.

The NBR said it implements the Bangladesh Single Window scheme to provide hassle-free services to the traders and cut costs of cross-border trade.

The authority said it has structured the strategic plan around four key pillars – revenue management, trade facilitation and partnerships, safety and security and development of the organisation and human capital.

Inflation outpaces wage

FROM PAGE B1

So, one cannot expect employment to grow, he said.

"Employment was not growing even when output growth was normal. That's why the informal sector continues to be the major source of employment," Islam said.

He added that inflation may also adversely affect the labour market situation through the consumption and demand route. Elevated levels of inflation have an adverse effect on demand, which in turn affects output growth in various sectors.

Prof Akash added: "It should be mandatory to provide rations or adjust their wages in line with inflation to give a cushion to the workers."

The economist suggested providing cash incentives to low-income people, similar to initiatives during Covid-19, and expanding social safety net programmes.

He also urged the government to extend support to the urban poor, who usually remain out of safety net, by providing essential commodities and cash support for house rent.

"The nominal wage rate climbed from 7.39 percent in June 2023 to 7.7 percent in December 2023. In April 2024, it was 7.85 percent. Despite being less than inflation, the pay index increase significantly represented the current inflationary wave," the Bangladesh Bank said in its monetary policy review yesterday.