

## Gold holds ground

REUTERS

Gold prices held steady on Friday after a sharp rise in the previous session, bolstered by a dip in US Treasury yields, as investors grew confident that the Federal Reserve would lower interest rates in September.

Spot gold was little changed at \$2,427.73 per ounce as of 1826 GMT, after a 1.9 percent rise on Thursday. US gold futures settled 0.4 percent higher, at \$2,473.4.

However, the bullion posted a 0.6 percent fall this week. Prices fell as much as 3 percent on Monday after investors liquidated positions in tandem with a broader equities sell-off.

"In the medium term, the outlook for gold remains positive, with any dips likely to be short-lived due to underlying macroeconomic factors," said Zain Vawda, market analyst at MarketPulse by OANDA.

"Yesterday's US jobless claims data eased recession concerns, boosting gold prices. Additionally, comments from the Fed this week have supported the notion that rate cuts may be forthcoming."

The dollar was down 0.1 percent against its rivals, making gold more attractive for other currency holders, while the Benchmark 10-year note yields slipped.

US central bank policymakers are increasingly confident that inflation is cooling enough to allow interest-rate cuts ahead. They will take their cues on the size and timing of those rate cuts not from stock market turmoil, but from economic data.

Investor focus now shifts to the US consumer price index, due next week, for insights into the Fed's likely policy path.

"We maintain a positive view on gold as a diversifier hedge against turmoil elsewhere," said Ole Hansen, head of commodity strategy at Saxo Bank in a note.

# BRAC Bank, Gram Unnayan Karma sign deal to boost crop production



**Md Sabbir Hossain, deputy managing director and chief operating officer of BRAC Bank, and Khondaker Alamgir Hossain, executive director of Gram Unnayan Karma, exchange the documents of an agreement at a signing ceremony at the bank's head office in Dhaka recently.**

PHOTO: BRAC BANK

### STAR BUSINESS DESK

BRAC Bank recently signed an agreement with Gram Unnayan Karma, a non-government development organisation, to help farmers in remote char areas grow high-value crops using innovative agricultural technology and know-how.

This collaboration between the non-government organisation and the bank is a major step forward for equitable economic growth and advancement in Bangladesh's rural areas.

The partnership will provide farmers of Dhunat in Bogura with the access to machinery and technology, enabling them to enhance harvest of cash crops, including maize, jute, mustard and green chili, said a press release.

Md Sabbir Hossain, deputy managing director and chief operating officer of the bank, and Khondaker Alamgir Hossain,

executive director of the non-government organisation, penned the deal at the bank's head office in Dhaka.

"We are happy to extend our partnership with Gram Unnayan Karma, which will help marginalised farmers in remote areas of the country boost agricultural output," said Sabbir Hossain.

"By readying these farmers with cutting-edge farming equipment and techniques, we hope to create sustainable markets and improve their living standards."

"Building on the success of our past initiatives, the bank equipped 1,400 farmers in char areas of Bogura with advanced agricultural technology, training, modern agricultural machinery and quality agricultural materials, facilitating increased harvest and uplifting their economic wellbeing," he added.

The partnership not only aims to promote prosperity and self-sufficiency

of the smallholder farmers but also holds the potential for significant growth and development, giving them access to advanced technologies and smart agricultural know-how.

The two organisations will work together as part of a specially designed corporate social responsibility initiative focused on agriculture.

Last year, the bank initiated a partnership with Gram Unnayan Karma to assist farmers with high-yielding crops in Sariakandi of Bogura.

Syed Abdul Momen, deputy managing director and head of SME at the bank, Ekram Kabir, head of communications, Tapos Kumar Roy, head of MFI and agriculture finance, Md Arman Hossain, deputy director, Md Mahub Alam, senior director, and Md Zia Uddin Sardar, coordinator of the non-government organisation, among others, were also present.



**Nuruddin Md Sadeque Hossain, managing director of Southeast Bank, poses for photographs with participating trainee officers of a foundation training programme of the bank at its training institute in the capital's Motijheel recently.**

PHOTO: SOUTHEAST BANK

## Southeast Bank organises training for trainee officers

### STAR BUSINESS DESK

Southeast Bank recently organised a foundation training programme for its newly appointed trainee assistant officers (grade-II).

A total of 31 officers took part in the five-day programme, the bank said in a press release.

Nuruddin Md Sadeque Hossain, managing director of the bank, attended the closing ceremony of the training programme as the chief guest at the bank's training institute in the capital's Motijheel.

Other officials of the bank were also present.

## EU says its Chinese EV measures comply with WTO

REUTERS, Brussels

The European Commission is confident its investigation into, and measures against, state subsidies for Chinese electric vehicles are compatible with World Trade Organization rules and its probe will continue, the EU executive arm said on Friday.

The European Union imposed provisional tariffs of up to 37.6 percent on imports of electric vehicles (EV) made in China in July, keen to protect its domestic EV production, after an EU investigation found the cars were subsidised by China.

China on Friday requested a WTO consultation, arguing the EU investigation results and the provisional tariffs lacked factual and legal basis and seriously violated the global body's rules.

The Commission, which handles all trade issues for the 27-nation EU, said it was carefully studying all the details of Beijing's request to the WTO and would react to the Chinese authorities in due course according to the WTO procedures.

"The Commission is confident of the WTO compatibility of its investigation and provisional measures," a Commission spokesperson said. "This request for WTO consultations does not affect the timeline of the anti-subsidy investigation, which in the meantime continues," the spokesperson said.

WTO cases typically take a very long time to resolve. The effectiveness of the WTO's dispute settlement is now further undermined by the lack of a functioning Appellate Body, which has been blocked by the lack of new appointments since 2019.

## Paint industry investing

FROM PAGE B4

Moreover, import costs have increased by around 30 percent over the past two years for the rising US dollar rate.

"The persisting higher inflationary pressure also impacted import costs and for that, we had to raise our product prices," he said.

Chowdhury informed that there are about 40 paint companies, including both local and multinational corporations, operating in the domestic paint industry.

According to him, the market is dominated by multinational corporations but Berger is the clear leader.

Meanwhile, global players like Jotun, Nippon and Kansai Nerolac are also present in the market.

Berger exemplifies a strong commitment to social responsibility through its use of eco-friendly materials, reduction of its carbon footprint, and support for local communities, Chowdhury said.

Besides, Berger strives to innovate products specifically tailored to the local climate.

"At Berger, we recognise industry challenges and actively invest in climate-specific solutions. The focus on environmental sustainability is a growing trend worldwide, leading to rising demand for eco-friendly paints," he added.

Berger's DampGuard product is a good example in this regard as it is a water-based coating designed to combat the growth of algae, fungus, hairline cracks and recurring dampness, which are commonly encountered issues due to the local climate.

He also said their WeatherCoat Smooth and WeatherCoat Supreme paints are formulated to withstand harsh weather conditions.

These paints offer enhanced protection and longevity compared to the standard paints used in more stable climates.

Highlighting the value of such innovations, Chowdhury said Berger was the first to introduce a "colour bank" machine that offers more than

5,000 shades to choose from.

Also, it was the first local paint company to partner with world-renowned brands like PPG (vehicle refinishing), Clariant (tinting systems), Fosroc (construction chemicals), Chugoku (marine paints) and Beckers Group (coil coatings).

Berger offers a diverse product portfolio of decorative paints, wood coatings (lacquers and varnishes), vehicle refinishing solutions, coil coatings, marine coatings, construction and textile chemicals, powder coatings, adhesives and inks.

"This comprehensive product suite caters to a wide range of customers and applications," he said.

Chowdhury informed that Berger's strategic partnerships provide the company with access to cutting-edge technologies and expertise.

Furthermore, Berger prioritises exceptional customer support, with its "experience zones" offering free technical advice on surface preparation, colour selection and custom colour schemes.

Chowdhury claimed that Berger is surely a market pioneer considering its data-driven approach to product development and commitment to comprehensive solutions.

Chowdhury, also a director at Berger, said the company leverages robust consumer insights to identify unmet needs and develop targeted solutions.

Recognising the challenge of maintaining clean walls, Berger introduced its "Easy Clean" product. It is a highly washable, scrub-resistant and long-lasting type of paint ideal for high-traffic areas.

"This demonstrates Berger's focus on customer-centric innovation," he said.

While informing that Berger sources high-quality monomers and titanium dioxide from abroad to ensure the best possible product performance, he said their expenses have become uncertain for the currency volatility.

"This is directly affecting our profitability," he added.

## Global oil demand needs to rise faster

FROM PAGE B4

Opec's estimate of first-half demand growth is little changed from what it was at the start of the year. The IEA has cut its estimate of first-half demand growth from 1.19 million bpd forecast in January.

The IEA estimated China's consumption contracted in the second quarter, while Opec estimates it rose by over 800,000 bpd. China is one of the main reasons for the difference in outlooks for the full year, as well as for the first half.

Global growth would need to accelerate a little in the second half if Opec estimates on first-half demand were correct. But if the IEA is right, demand would need to accelerate rapidly.

The second half is typically the period of highest consumption as the simple fact of global economic growth increases oil demand and because it includes the peak driving season, Northern Hemisphere harvest and purchases to prepare for winter.

For demand growth to hit Opec's full-year prediction, it would need to accelerate to an average of 2.30 million bpd in the second half, according to Reuters calculations. Demand needs to grow by 1.22 million bpd in the second half to reach the IEA's full-year prediction.

Opec and the IEA are scheduled to update their demand forecasts next week.

Opec+ last week confirmed its plan to start raising production from October with the caveat that it could be paused or reversed if needed.

The increase is predicated on demand hitting Opec's forecast, which would increase the need for oil from the producer group and its allies. Opec+ pumps more than 40 percent of the world's crude.

Should Opec's demand prediction be realised, the demand for crude from Opec+ countries is forecast to reach 43.9 million bpd in the fourth

quarter, up from production of 40.8 million bpd in June, in theory allowing room for extra output.

Opec+ still has a month to decide whether to start releasing the oil from October, and the group will study oil market data in the coming weeks, a source close to the group said.

Saudi Aramco CEO Amin Nasser said on Tuesday he expected growth of between 1.6 million and 2 million bpd in the second half of the year.

Two OPEC sources said it was unclear if demand was rising as rapidly as needed to meet Opec's third-quarter forecast. Opec did not respond to a request for comment.

The IEA says that slower economic growth and a shift towards electric vehicles in China has changed the paradigm for the world's second-largest economy, which for years has driven global rises in oil consumption.

Opec sees strong growth persisting. Early indications of China's August crude imports, such as from data intelligence firm Kpler, point to a small rebound from July. Two traders dealing in China's purchases of West African crude said demand for August-loading oil had been soft.

Global jet demand is expected this year to surpass 2019 levels, according to the International Air Transport Association, although IATA said in June that international travel in Asia remained subdued especially in China.

"The big levers everyone pointed to for demand growth were jet demand and China," said a source with an oil trading company. "Chinese demand hasn't been great and jet demand is decent in Europe but has not fully recovered (from the pandemic)."

In top oil consumer the United States, gasoline demand has proven hard to gauge: revisions to official data last week showed May demand at the highest level since August 2019. Earlier estimates and independent trackers pegged demand below last

year. Dour economic data from the United States could also spell trouble for oil markets, especially for diesel. US diesel demand was about 4 percent lower in the first five months of this year than in 2023, according to EIA data.

## India asked to boost bank scrutiny

FROM PAGE B4

government told parliament it did not intend to put domestic political figures under stricter banking scrutiny, adding that it would wait for the FATF's report before making any changes.

The FATF in June said India had reached a high level of compliance in enforcing anti-money laundering laws. The government has five years to implement the recommended banking rules before the next review, one of the sources said.

The FATF rated India as "compliant" and "largely compliant" on 37 out of the 40 parameters for enforcing anti-money laundering laws, the sources said.

The three areas in which there is partial compliance include bank scrutiny of domestic political figures and oversight of the finances of non-profit organisations and non-financial businesses and professionals.

In June, the Indian government described the FATF's evaluation as yielding an "outstanding outcome" but did not disclose any specifics. An interim report, discussed at the FATF June meeting in Singapore, recommended that India expedite the prosecution of money laundering and terrorist financing cases while ensuring that non-profit organisations are not unfairly targeted.

## Dollar dips

REUTERS, New York

The dollar was off a one-week high against other major currencies on Friday, capping off a turbulent few days as traders digested a drop in US jobless claims and the prospect of a looming economic downturn.

The US currency was down against the Japanese yen following a three-day rebound, as Thursday's firmer-than-expected employment data spurred a paring back in bets for Federal Reserve interest rate cuts later this year.

The yen and the Swiss franc - another safe haven currency - hung near one-week lows as major stock markets rose and Treasury yields dipped.

Markets have endured a chaotic week, triggered in large part by surprisingly soft US payrolls figures a week ago that sent global stocks tumbling, while demand for the safety of assets such as the yen and the franc sent those currencies surging to their highest since the start of the year on Monday.

The dollar was last down 0.39 percent at 146.675 yen, but still on course for its first weekly rise in six weeks.

"There's been a major desire by market to finally use the yen as a complete source of a safe haven to the chaos and the conflict that's going on around the world," said Juan Perez, director of trading at Monex USA in Washington.

The dollar index, which measures the currency against six others, was down 0.136 percent at 103.14 following three days of gains.

Against the Swiss franc, it eased 0.18 percent to 0.865 franc but still on track for a weekly advance.

"The prospect of having a pure risk on environment, pro carry for FX, for the second half of this year, is much less interesting given our forecasts are more conservative on the dollar/yen and the euro/Swiss franc," said UBS FX strategist Yan Berthouex.

"We don't expect more significant unwind to come. The washout has been quite clear in this environment." Data on Thursday showed the number of Americans filing new applications for unemployment benefits fell more than expected last week, calming fears the labour market was unravelling and reinforcing that a gradual softening remains intact.

The odds of the Fed cutting interest rates by 50 basis points at its next policy meeting on Sept. 17-18 fell to 52 percent, from 69 percent a day earlier, with a 25 basis point cut now seen as having a 49 percent probability, according to the CME Group's FedWatch Tool.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (AUG 11, 2024)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 60-Tk 78	0	2.22 ↑
Coarse rice (kg)	Tk 50-Tk 54	4.00 ↑	4.00 ↑
Loose flour (kg)	Tk 40-Tk 45	0	-16.67 ↓
Lentil (kg)	Tk 105-Tk 110	0	13.16 ↑
Soybean (litre)	Tk 145-Tk 155	0	-7.69 ↓
Potato (kg)	Tk 55-Tk 60	-4.96 ↓	51.32 ↑
Onion (kg)	Tk 110-Tk 125	4.44 ↑	56.67 ↑
Egg (4 pcs)	Tk 48-Tk 52	5.26 ↑	-4.76 ↓

SOURCE: TCB