

Star BUSINESS

Raw jute production has declined by nearly 10 percent year-on-year, mainly due to punishing heat during the planting period



Story on B4

Rules eased for fund repatriation by foreign airlines

STAR BUSINESS REPORT

Banks in Bangladesh no longer need regulatory approval to issue payment commitments against the surplus earnings of foreign airlines and shipping companies in the country.

Previously, the Bangladesh Bank's approval was required to issue payment commitments, which act as a pledge by the bank that payable funds will be disbursed at a later date.

Now though, banks can make such commitments for the repatriation of surplus earnings in the accounts of local agents of foreign airlines and shipping companies.

However, banks still

Banks can make such commitments for the repatriation of surplus earnings in the accounts of local agents of foreign airlines

need to meet certain conditions imposed by the central bank in order to issue their payment commitments.

The Bangladesh Bank yesterday issued a notice in this regard, saying that banks will have to ensure that all applicable credit norms and prudential parameters, including the single borrower exposure limit, are followed as prescribed.

Also, the applications for payment commitments have to be supported by documentary evidence showing that necessary arrangements were made to cover the amount due using collateral acceptable by the bank.

Additionally, payment commitments need to be approved by the board of directors of local banks while the same will be required from the management of foreign banks in the country.



Normally vibrant with tourists and staff, a resort in Sajek Valley now wears a desolate look after a recent directive by the authorities discouraging people from visiting the region. Sector people estimate the blow to be around Tk 80 lakh per day. PHOTO: SUBRATA CHAKMA

Tension in the hills hits tourism

JAGARAN CHAKMA and LALTANLIAN PANGKHUA

Empty hotels, unsold fruits at roadside vendors and idle jeeps at stands – these are the adverse sights in the south-eastern hill districts of Khagrachhari and Rangamati, two popular tourist destinations in Bangladesh, following the recent deadly violence.

Industry people estimate the blow to the scenic tourist spots to be around Tk 80 lakh per day, which amounts to over Tk 10 crore during the past two weeks, as visitors were discouraged from travelling there.

Tourist flow to the hilly districts was already lean for about three months in late 2023 ahead of the national elections in January. Then came the flooding, following which the hill tourism started to recover until fierce nationwide student movements began in July.

The government ouster in August and subsequent violence between the indigenous communities and Bangladeshes subsequently punctured the turnaround spirit.

Amid this turmoil, the directive issued by the Rangamati District Administration yesterday discouraging tourists from visiting Sajek Valley has posed another hurdle for businesses around the “queen of hills” during the peak season for tourists.

During the peak season, which runs from

September to April, around 3,000 to 3,500 tourists visit Sajek Valley per day. Some 130 hotels and motels there accommodate these visitors.

“We have not been getting enough guests since September 19,” said Rahul Chakma John, organising secretary of the Cottage and Resort Owners Association (CROA) of Sajek.



“But the current situation is not favourable,” John said.

“We do not have enough income since tourist flow has dwindled.”

He added that not only cottage and resort owners but also restaurants, transport services and other related businesses had been suffering.

For example, indigenous people sell oranges, pineapples, bananas, papayas, guavas, lemons and watermelons to tourists. So, if people do not come and buy, the unsold

fruits at roadside shops mean a direct blow to the livelihood of growers, he said.

Bangladesh's tourism sector has a turnover of around Tk 76,990 crore annually, according to a 2020 report by the Bangladesh Bureau of Statistics. The country boasts 30 tourist destinations with around 2.5 crore local people visiting the spots annually.

Of domestic tourists, nearly 10 percent travel to the hill districts, according to an unofficial estimate. Combined with Cox's Bazar, the three hill districts typically draw in 55 percent of all domestic tourists.

The turmoil not only impacts Sajek Valley, but also hampers tourism and hospitality businesses in Rangamati, according to Suparna Debbarman, president of CROA.

He said owners of cottages and resorts in Rangamati town are in fear of possible attacks.

Mousumi Chakma, owner of Gallery Hotel in Rangamati town, said they usually keep their restaurant open from 10:00am to 11:00pm every day. However, recent arson attacks on properties owned by ethnic minorities is compelling them to close as early as 7:00pm.

“We have seen every incident of communal violence target indigenous businesses,” she added.

READ MORE ON B3

BAB urges finance adviser to consider stakeholders' demands

STAR BUSINESS REPORT

At a time when the interim government has initiated various reforms to salvage the ailing banking sector, the Bangladesh Association of Banks (BAB) yesterday urged the finance adviser to consider stakeholders' suggestions before formulating policies.

Members of the BAB, a platform representing owners of private commercial banks in Bangladesh, led by its chairman Abdul Hai Sarker, met Finance Adviser Salehuddin Ahmed at his office in Bangladesh Secretariat and placed various proposals.

After the meeting, the finance adviser told journalists that they mostly discussed existing problems and reform initiatives in the banking sector.

The members of the BAB wanted their recommendations to be reflected in the government's ongoing reform measures, Ahmed said.

“I told them that their suggestions would be considered. However, they were also asked to ensure good governance, transparency and accountability in the sector,” he said.

He further asked them to disburse loans cautiously and inclusively so that small borrowers could get their desired loans.

After taking office following the political changeover on August 5, the interim government has taken various remedial steps for the crisis-hit banking sector.

This included dissolving and reconstituting the boards of directors of 11 banks.

Since many banks are contending with a liquidity crisis, the central bank also allowed them to secure liquidity support from the inter-bank money market.

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STOCKS	
DSEX ▲	CASPI ▲
0.15%	0.12%
5,462.58	15,271.77

COMMODITIES	
Gold ▼	Oil ▲
\$2,645.38	\$71.69
(per ounce)	(per barrel)

ASIAN MARKETS				FRIDAY CLOSINGS
MUMBAI	TOKYO	SINGAPORE	SHANGHAI	
▼ 2.05%	▲ 1.97%	▼ 0.2%	Closed	
82,536.52	38,552.06	3,577.43		



Economy grew, but stocks left in the dust

AHSAN HABIB

Over the past 15 years, the country's economy presented a number of marvels, including over 6 percent growth on an average per annum. But, its stock market showed a sharp contrast: sluggish, dry and in decline.

Why has this disparity dragged on?

According to experts, the capital market failed to attract and accommodate the key growth engines and drivers of the economy – readymade garment manufacturers earning millions of dollars in merchandise exports and the remittance-receiving families eligible for capital investment.

“Therefore, the market behaved just the opposite of economic growth,” said a top official of a leading merchant bank on condition of anonymity.

The consequences of this mismatch were severe.

Investors, except the manipulators, found little reason to celebrate. Many left the market, including foreign investors, while institutional investors remained hesitant to inject new funds into equities.

From just \$11 billion in 2010, inward remittances surged to over \$22 billion in 2023, according to the central bank. Similarly, export earnings reached over \$40 billion in fiscal year 203-24 from \$14 billion in fiscal year 2009-10.

These figures indicate a substantial inflow of funds and a growing pool of individuals with disposable income possibly seeking investment opportunities.

Against such a backdrop, the market consistently experienced low turnover, with exceptions during the bubbles of 2010 and 2021. As a result, stock market intermediaries – merchant banks and brokerage firms – also faced a tough time and wrestled to stay afloat.

READ MORE ON B3

Why are chicken and egg prices nowhere near govt rates?

SUKANTA HALDER

Prices of eggs and broiler chicken, two major sources of protein, prevailing in Dhaka's markets have long surpassed rates set by the interim government in September, putting pressure on consumers plagued with persistently high inflation.

On September 15, the Department of Agricultural Marketing (DAM) announced that each dozen eggs should be sold at Tk 142 while each kilogramme (kg) of broiler chicken at Tk 179.

It stated that it had reached the rates in consultation with stakeholders, including the Poultry Industries Association, Feed Industries Association, Breeders Association of Bangladesh and World Poultry Science Association.

The Bangladesh Poultry Industries Central Council, Bangladesh Poultry Khamar Rakkha Jatiya Parishad, Animal Health Companies Association and Agro Feed Ingredients Importers and Trading Association were also consulted.

However, the DAM did not make public the calculations based on which it had arrived at the two rates.

In contrast, a dozen eggs sold at Tk 175 in the capital yesterday, up from Tk 160 a week ago. Broiler chickens sold at Tk 180 to Tk 190 per kg, up from Tk 170, according to data from the state-run Trading Corporation of Bangladesh.

Meanwhile, inflation had eased in September but is still hovering at over 9 percent, reflecting persistently high prices since March 2023, according to data of the Bangladesh Bureau of Statistics.

The Daily Star sought to know from industry insiders why markets could not sell the products at government rates.

PRICES OF BROILER MEAT AND EGG

	Sep 03	Govt set price (Sep 15)	Oct 03
Broiler meat (Avg per kg)	165	179	185
Egg (Avg per piece)	12.87	11.87	13.87

SOURCE: TCB



The individuals included Mohammad Amanat Ullah, president of the Tejaon Egg Merchants' Association, which accounts for a major portion of eggs supplied in the capital, and Kayser Ahmed, managing director of Diamond Egg, one of the country's largest egg producers.

Both cited a mismatch in demand and supply, especially a drop in production for recent floods and high temperatures.

The floods had affected the country's eastern parts.

However, the capital's supply of eggs mostly comes from western regions, such

as Tangail, Jashore, Thakurgaon, Pabna, Panchagarh and Rajshahi, alongside adjoining areas like Narsingdi and Gazipur.

On the other hand, average temperatures in September ranged

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Walton launches solar hybrid IPS

STAR BUSINESS DESK

Walton Digi-Tech Industries Limited, a sister concern of Walton Group, recently launched solar hybrid Instant Power Supply (IPS) units, which are environment friendly, renewable and affordable as well.

The price caps of these IPS units start from a minimum of Tk 79,500 and maximum Tk 465,000, depending on the inverter and solar panel capacity.

Under the "arc" brand, the IPS can be charged from both solar power and national grid through smart inverter, eventually saving electricity costs and providing uninterrupted power backup for a long while.

The IPS is available in the market in 5 different models ranging from 1,200 watts to 5,500 watts. Along with that, there are

also 1,200-watt and 3,200-watt inverter and battery packages, said a press release.

Liaquat Ali, additional managing director of Walton Digi-Tech, said that the main advantage of "arc" hybrid solar IPS is that it saves up to 20 percent electricity bills.

"Walton's 'arc' panel is specially made by a strong aluminum structure to get maximum output even in adverse weather conditions."

"The anti-reflective, hydrophobic coating of 'arc' solar panel improves light absorption and reduces surface dust. It provides excellent performance under low light and is suitable for harsh environments. Its mono solar panels ensure high power generation."

The "arc" solar panel is ISO certified, the press release added.

The IPS has various technologies



and features, including pure sine wave inverter, soft touch easy access panel, MPPT charging mode, overload and short-circuit protection, smart battery optimisation, auto restart and cold start function.

An "arc" solar hybrid IPS with 1200 VA

inverter and 2 solar panels is priced at Tk 87,000. With 1200 VA inverter and 3 solar panels, an IPS is priced at Tk 98,500. The model with 3200 VA inverter and 4 solar panels is priced at Tk 175,500.

With 3200 VA inverter and 8 solar panels, an IPS unit is priced at Tk 295,000 while the model with 5500 VA inverter and 10 solar panels is priced at Tk 465,000.

On the other hand, the IPS package with 1200 VA inverter and battery is priced at Tk 79,500 and the IPS package with 3200 VA inverter and battery is priced at Tk 158,500.

Walton provides a service warranty of 20 years on solar panels, 12 months on batteries and 18 months on solar inverters.

Beside physical purchase, a customer can order an IPS online from Walton e-plaza and Walton Digi-tech websites.

Mominul Islam made DSE chairman

STAR BUSINESS DESK

Mominul Islam was elected as chairman of the Dhaka Stock Exchange (DSE) PLC at its board meeting yesterday.

Islam has 25 years of experience in renowned global and local banks and financial institutions, with an outstanding track record in leadership, strategic and technical roles.

He also has a unique track record at national and international level platforms for policy frameworks and collaborations.

He holds a Six Sigma Black Belt oriented to business transformation, business process management, lean management, operational risk management and service quality, the DSE said in a press release.

Islam is the founder of Clink Advisory, a strategic financial advisory firm focusing on M&A, investment, distress asset management and strategic transformation.

He started his career as an officer at American Express Bank in Chattogram in 1999.

He previously worked in IPDC Finance Limited and worked in different capacities before becoming the youngest managing director of a non-banking financial institution in Bangladesh at the age of 35.

Islam has inspirational leadership, customer centricity, strategic orientation and communication skills, fostering integrity and good citizenship.

He has technical excellence in technical orientation, regulatory and legal frameworks relevant to the financial sector, team development, risk management, operational excellence and stakeholder management.

He also plays a unique role in the leadership of various organisations.

He became chairman of the Association of Development Finance Institutes-Asia Pacific in 2023 and the Bangladesh Leasing and Finance Companies Association in 2020-22.



LankaBangla Finance, STS Capital bring co-branded credit card

STAR BUSINESS DESK

LankaBangla Finance PLC and STS Capital Ltd, a subsidiary of STS Group, in partnership with Mastercard, recently launched a co-branded credit card, offering exclusive benefits for STS Group's employees, teachers and guardians under the STS education umbrella.

The umbrella covers Universal College Bangladesh (UCB), International School Dhaka, Glenrich International School and STS Group.

Humaira Azam, managing director of LankaBangla Finance PLC, Manas Singh, chief executive officer of STS Capital Ltd, and Syed Mohammad Kamal, Mastercard country manager for Bangladesh, attended the agreement signing and card unveiling ceremony at the UCB campus in the capital's Gulshan, according to a press release.

"We are delighted to collaborate with STS Group to introduce this credit card which has been designed to

provide valuable benefits to employees, teachers and parents of STS group to further streamlining their financial management plans related to education," Humaira said.

Singh said, "Through this partnership with LankaBangla Finance PLC, we opt to enhance financial services available within our STS community."

"This launch marks the beginning of a long-term association, which is aimed at catering to the diverse financial needs of the STS community," Kamal said.

The co-branded titanium credit card offers a wide range of financial benefits, including a two-year annual fee waiver and, from the third year onwards, a waiver upon making a minimum of 12 transactions.

Cardholders can enjoy a flexible limit range up to Tk 10 lakh. Parents can use this card to pay educational fees and benefit from the EMI facility with the lowest interest rates.

The credit card also offers airport lounge access, unlimited meet and greet service,



PHOTO: MASTERCARD

Humaira Azam, managing director of LankaBangla Finance, Manas Singh, chief executive officer of STS Capital, and Syed Mohammad Kamal, country manager for Bangladesh at Mastercard, attend a card unveiling and an agreement signing ceremony at the Universal College Bangladesh campus in the capital's Gulshan recently.

discount facilities at over 1,300 merchant points and over 900 Ezyppay merchant partners offering zero percent interest.

Among others, SM Rahmatul Mujeeb, chief financial officer of STS Capital Ltd, Kingshuk Gupta, chief operating officer

of UCB, Khurshid Alam, head of retail business of the LankaBangla Finance, AKM Kamruzzaman, head of operations, Md Toufiqueer Rahman, head of cards (acting), and Jubair Hossain, manager at Mastercard, were also present.



Md Nazeem A Choudhury, deputy managing director of Prime Bank PLC, and Rafiq Hassan, director of Northern Corporation Limited, pose for photographs after signing an agreement at the bank's corporate office in Dhaka recently. PHOTO: PRIME BANK

Prime Bank signs payroll deal with Northern Corporation

STAR BUSINESS DESK

Prime Bank PLC recently signed a payroll agreement with Northern Corporation Limited, a fabric supplier in Bangladesh.

Md Nazeem A Choudhury, deputy managing director of the bank, and Rafiq Hassan, director of Northern Corporation Ltd, penned the deal at the bank's corporate office in Dhaka, said a press release.

Under this agreement, Northern Corporation's employees will enjoy preferential banking service, including credit card and loan facilities, from Prime

Bank. They will also enjoy seamless automated salary disbursements through PrimePay, a digital portal for paying salaries and carrying out payments conveniently round the clock.

Shaila Abedin, executive vice-president and head of the women banking and affluent segments at the bank, Anup Kanti Das, head of payroll banking, and Abul Hasnat Mohammad Quamruzzaman, chief financial and operation officer of Northern Corporation, along with other senior officials from both organisations were present.

Premier Bank launches green PIN service

STAR BUSINESS DESK

Premier Bank PLC recently launched a new financial service called "Premier Bank Green PIN".

This service allows customers to activate their debit, credit, or prepaid cards instantly or generate a new PIN for their cards through the bank's website or mobile banking app "Pmoney".

Mohammad Abu Jafar, managing director and CEO of the bank, inaugurated the service at Iqbal Centre of the bank's head office in Dhaka, said a press release.

Shamsuddin Chowdhury, additional managing director of the bank, Syed Abul Hashem, deputy managing director and chief financial officer, and Md Marufur Rahman Khan, senior executive vice-president and head of cards and ADC, were present.

Md Sabbir Hossain Chowdhury, executive vice-president and chief information technology officer, and Mohammad Akram Hossain, company secretary, along with other senior officials of the bank, were also present.



Mohammad Abu Jafar, managing director and CEO of Premier Bank PLC, inaugurates a new financial service named "Premier Bank Green PIN" at the Iqbal Centre in the bank's head office in Dhaka recently. PHOTO: PREMIER BANK



Mohammad Forkanullah, managing director (acting) of Social Islami Bank Limited, attends a business review meeting of the bank at its head office in Dhaka recently. PHOTO: SOCIAL ISLAMI BANK

Social Islami Bank holds business review meeting

STAR BUSINESS DESK

Social Islami Bank recently arranged a business review meeting at the bank's head office in Dhaka.

Mohammad Forkanullah, managing director (acting) of the bank, attended the meeting as chief guest, the bank said in a press release.

Forkanullah said that the temporary setback in liquidity management would improve soon with the help of the Bangladesh Bank.

He hoped that clients will be able to carry out transactions as per their requirement. He urged the clients to be patient and mentioned that their deposited money is fully secured.

Islami Bank holds board meeting

STAR BUSINESS DESK

Islami Bank Bangladesh PLC yesterday organised a meeting of the board of directors at Islami Bank Tower in Dhaka.

Md Obayed Ullah Al Masud, chairman of the bank, presided over the meeting, said a press release.

Md Abdul Jalil, chairman of the executive committee of the bank, Prof M Masud Rahman, chairman of the risk management committee, Md Abdus

Salam, chairman of the audit committee, Mohammad Khurshid Wahab, independent director, and Mohammed Monirul Mouta, managing director, were present.

Among others, Prof Mohammad Abdus Samad, member secretary of the Shariah supervisory committee of the bank, Md Omar Faruk Khan, Md Altaf Hossain and Mohammad Jamal Uddin Mazumder, additional managing directors, and Mohammad Jahangir Alam, company secretary (current charge), were also present.



PHOTO: ISLAMI BANK BANGLADESH

Md Obayed Ullah Al Masud, chairman of Islami Bank Bangladesh PLC, presides over a meeting of its board of directors at the Islami Bank Tower in Dhaka yesterday. Mohammed Monirul Mouta, managing director of the bank, was also present.

Alliance Finance organises board meeting

STAR BUSINESS DESK

Alliance Finance PLC recently organised its sixth board meeting at the company's head office in Gulshan, Dhaka.

Jowher Rizvi, chairman of the non-bank financial institution, presided over the meeting, the company said in a press release.

Members of the board joined the meeting from Sri Lanka, the US and Thailand virtually.

Pradeep Amirthanayagam, chairman of People's Leasing and Finance PLC of Sri Lanka, Udesha Gunawardena, chief operating officer, Lutfi M Ayub, chairman of Rabab Fashions, and Kanti K Saha, chief executive officer of Alliance Finance Limited, virtually attended the meeting.

Among others, directors of the non-bank financial institution, along with other senior officials of the company across the country were also present.



Jowher Rizvi, chairman of Alliance Finance PLC, presides over the company's sixth board meeting, which was held virtually recently. PHOTO: ALLIANCE FINANCE

Bank of England warns

FROM PAGE B4

The bank warned that knocks to the market could lead to "a tightening in credit conditions for households and businesses".

The BoE in August cut its key interest rate for the first time since the Covid pandemic erupted in early 2020, after inflation cooled markedly.

It had ramped up borrowing costs between late 2021 and last year to combat soaring price rises caused by the Covid pandemic and Russia's invasion of Ukraine.

Retail banks tend to mirror BoE policy over rates and therefore soaring hikes weighed heavily on millions of

borrowers, notably people with home loans.

"Mortgagors continued to be resilient to higher interest rates, although some lower income households and renters remained under pressure," the BoE noted on Wednesday.

The bank held its interest-rate at five percent in September, as BoE governor Andrew Bailey said the central bank needed "to be careful not to cut too fast or by too much", as UK inflation remains above its target.

The decision came a day after the US Federal Reserve opted for a jumbo 50 basis point interest-rate cut.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (OCT 3, 2024)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 64-Tk 80	0	9.09 ↑
Coarse rice (kg)	Tk 50-Tk 55	-1.87 ↓	7.14 ↑
Loose flour (kg)	Tk 40-Tk 45	0	-2.30 ↓
Lentil (kg)	Tk 105-Tk 110	0	0 ↑
Soybean (litre)	Tk 151-Tk 155	3.03 ↑	-2.86 ↓
Potato (kg)	Tk 50-Tk 60	-1.79 ↓	19.57 ↑
Onion (kg)	Tk 105-Tk 110	-6.52 ↓	26.47 ↑
Egg (4 pcs)	Tk 55-Tk 56	7.77 ↑	13.27 ↑

SOURCE: TCB

Ctg chamber administrator gets tenure extension

STAFF CORRESPONDENT, Ctg

The government has extended the tenure of the administrator appointed to the Chittagong Chamber of Commerce and Industry (CCI) by 90 days.

Senior Assistant Secretary Amit Deb Nath mentioned in an order on Tuesday that the administrator's tenure was extended until January 7, 2025 as the initial term was nearing its end.

On September 9, the Trade Organisation Wing of the commerce ministry appointed Chattogram's Additional Divisional Commissioner (General) Muhammad Anwar Pasha as the administrator of the chamber.

The appointment was made after the resignation of the existing CCI president and all 23 executive board directors.

In the initial appointment order, the ministry instructed the administrator to conduct fair and neutral elections for the board within 120 days and hand over control to the newly elected committee.



Nasima Begum uses a piece of foam tied to the end of a stick to soak up leftover vegetable oil that ends up collecting at the bottom of barrels at a warehouse of wholesalers. She can collect around three to four kilogrammes each day and sell it for Tk 100 per kilogramme. The photo was taken at Kaibari Ghat in Boro Bazar of Khulna city recently.

PHOTO: HABIBUR RAHMAN

DSE stocks rebound after massive fall

STAR BUSINESS REPORT

Indices of Dhaka Stock Exchange (DSE) rose yesterday on falling by a massive extent on the preceding three days, which was followed by protests by some investors in the capital's Motijheel who blamed some of the regulator's recent punitive measures.

The Bangladesh Securities and Exchange Commission (BSEC) last Tuesday imposed a fine of Tk 428.52 crore on five firms and four individuals for manipulating prices of Beximco stocks to realise gains of Tk 477 crore.

On September 26, it downgraded 28 companies to "Z" category for violating regulation by not properly paying investors their dividends.

These are prompting the sale of shares on a massive scale, which, in turn, is causing the indexes to fall, said the protesters yesterday. They also demanded resignation of the BSEC high-ups.

The DSEX, the DSE's benchmark index, went up by 8.59 points, or 0.16 percent,

from that on the day prior to close at 5,462.

Similarly, the DSES index, which represents Shariah-compliant companies, edged up by 1.56 points, or 0.13 percent, to 1,221.

Meanwhile, the DS30, the index for the blue-chip firms, grew by 2.83 points, or 0.14 percent, to 1,990.

However, at Chittagong Stock Exchange, the CASPI, the premier index of the port city bourse, dropped by 19.26 points, or 0.13 percent, to settle at 15,271.

Of the issues that were traded at the DSE, prices of 209 rose, 138 decreased and the rest did not see any price movement.

The day's turnover, which indicates the total value of shares that were traded, stood at Tk 315 crore, a decrease of 28.42 percent.

The banking sector dominated the turnover chart, accounting for 26.05 percent of the total.

Block trades, meaning high-volume transactions in securities that are privately negotiated and executed outside

of the open market, contributed another 2.6 percent.

IBN Sina Pharmaceutical was the most traded share, with a turnover of Tk 15.2 crore.

Sector-wise, jute, services and real estate and non-bank financial institutions (NBFIs) were the top three sectors that closed in the positive, according to the daily market update by UCB Stock Brokerage.

Mutual fund, telecom and life insurance became the top three sectors to close in the negative.

Most sectors that account for large amounts in market capitalisation, which refers to the value of a company's outstanding shares, were in the positive, according to the daily market update by BRAC EPL Stock Brokerage.

The NBFIs sector booked the highest gain of 1.02 percent, followed by engineering (0.94 percent), pharmaceuticals (0.47 percent), fuel and power (0.17 percent) and banking (0.06 percent).

However, food and allied logged a loss of 0.02 percent and telecommunication

another 0.66 percent.

Companies like Beximco Pharmaceuticals, National Bank, Renata, Orion Pharma, BRAC Bank, Olympic Industries, Prime Bank, Orion Infusion, LafargeHolcim Bangladesh and Bangladesh Shipping Corporation drew investors the most, said LankaBangla Financial Portal in its daily market update.

But none of the companies saw a double-digit growth in share prices. Of them, Beximco Pharmaceuticals made the largest gain of 3.06 percent.

Islami Bank Bangladesh, Grameenphone, Trust Bank, Beacon Pharmaceuticals, Eastern Bank, City Bank, GPH Ispat, JMI Hospital Requisite Manufacturing, Square Pharmaceuticals and United Commercial Bank suffered losses.

A high official of a stock brokerage said it was normal for investors to take a "wait-and-see" approach after market fluctuations.

However, market analysts said the BSEC took all decisions following rules and regulations.

e-filing of tax returns crosses 50,000 in less than a month

STAR BUSINESS REPORT

The number of online filings of income tax returns by individual taxpayers crossed 50,000 in less than a month after the relaunch of the online portal for submission of returns, the National Board of Revenue (NBR) said yesterday.

The tax administration relaunched the e-filing portal on September 9 to make it user friendly.

Taxpayers have been able to pay tax using cards, internet and mobile financial services.

They can also get copies of the submitted returns, acknowledgment receipts, income tax receipts and take printout of Taxpayers Identification Number (TIN) online, the NBR said.

The tax collector has also opened a service centre accessible through phone calls at 09643717171 to enable individual taxpayers to file their income and wealth statements online for the 2024-25 assessment year.

The filing of tax returns by individual taxpayers surged 115.57 percent year-on-year to 5.26 lakh in fiscal year 2023-24 from 2.44 lakh previously, according to the NBR.

During fiscal year 2021-22, the NBR received 61,491 tax returns online.

Bangladesh has more than 1 crore registered taxpayers, but 59 percent did not submit their income tax returns in fiscal year 2023-24.

Interim govt approves new export policy

STAR BUSINESS REPORT

The cabinet yesterday approved the export policy for 2024-27 with a target of exporting merchandise worth \$110 billion by the end of fiscal year 2026-27.

Some new products like vegetable and handicrafts have been included in the new export policy as thrust products.

Dyeing, printing, finishing, spinning and fabric manufacturing units have been included as the special development and highest thrust sectors in the new policy, according to a statement from the press wing of the chief adviser.

The government will provide special assistance to the sectors like pharmaceuticals and medical equipment as per the policy.

In the new policy, the government has also updated the list of banned export products and the list of products that can be exported under condition.

The government has followed the rules and regulations of the World Trade Organisation (WTO) in making the new export policy, according to the statement.

The government has also provided some alternative measures for giving incentives on export receipts based on the WTO rules as the country will not be able to pay direct cash incentive to the exporters after graduating from the least developed country category in 2026.

Oil jumps about 2% on Middle East supply fears

REUTERS

Oil prices rose on Thursday on investor concern that a widening Middle East conflict could disrupt crude oil flows from the region, though a stronger global supply outlook kept a lid on gains.

Brent crude futures were up \$1.41, or 1.91 percent, at \$75.31 a barrel by 1050 GMT. US West Texas Intermediate crude futures rose \$1.45, or 2.07 percent, to \$71.55.

Market fears are mounting over the possibility that Israel might target Iranian oil infrastructure, raising the spectre of retaliation from Iran.

There are concerns that such escalation could prompt Iran to block the Strait of Hormuz or attack Saudi infrastructure, as it did in 2019, said Panmure Gordon analyst Ashley Kelly.

The strait is key logistical chokepoint through which a fifth of daily oil supply passes.

Israel bombed Beirut early on Thursday, killing at least six people, after its forces suffered their deadliest day on the Lebanese front

in a year of clashes with Iran-backed Hezbollah.

Israeli Prime Minister Benjamin Netanyahu said Iran would pay for its missile attack against Israel on Tuesday while Tehran said that any retaliation would be met with "vast destruction", raising fears of a wider war.

"From here, it's a waiting game to see what the Israeli response will be and I suspect that comes after the conclusion of the Rosh Hashanah holiday tomorrow," said IG market analyst Tony Sycamore, referring to the Jewish New Year.

"We could see oil prices come off and the geopolitical premium built-up in prices fade, should Israel decide to press its advantage against Hezbollah in southern Lebanon rather than retaliate directly on Iranian soil or assets," said Harry Tchilinguirian, head of research at Onyx Capital Group.

Meanwhile, US crude inventories rose by 3.9 million barrels to 417 million barrels in the week ended Sept. 27, the Energy Information Administration said, compared with Reuters poll expectations of 1.3 million barrel decline.

Gold slips as hopes for bigger US rate cut dim

REUTERS

Gold prices declined on Thursday as recent economic data tempered expectations of an aggressive US rate cut in November, while investors turned their attention to the upcoming payrolls data.

Spot gold was down 0.5 percent to \$2,644.55 per ounce by 0852 GMT, after climbing a record high of \$2,685.42 last week. US gold futures shed 0.2 percent to \$2,664.70.

Data on Wednesday showed

that US private payrolls increased more than expected in September, evidence that labor market conditions were not deteriorating.

Richmond Federal Reserve President Thomas Barkin said the fight to return inflation to the US central bank's 2 percent target may take longer than expected and limit how far rates can be cut.

Bets of the Fed cutting rates by 50 basis points in November fell to 34 percent from 49 percent last week, according to the CME FedWatch Tool.

Tension in the hills hits tourism

FROM PAGE B1

Alok Bikash Chakma, manager of Rangamati Holiday Complex, said that since last week's arson attacks, they have incurred losses of at least Tk 60,000 to Tk 70,000 per day due to a lack of tourists.

Moin Uddin, president of the Rangamati Hotel Malik Samity, said the recent violence caused income to plummet to zero in Rangamati town.

"Many tourists now feel panicked and unsafe about visiting Rangamati," he added.

According to Uddin, there are around 60 hotels in Rangamati town, with each incurring losses of Tk 50,000 to Tk 60,000 per day amid the current situation.

Sarwar Hossain, manager of Nishargo River Valley at Kaptai upazila in Rangamati, said that since July, they have been suffering from business disruption due to a lack of tourists.

However, local tourism in the adjacent Bandarban district has not been largely affected as tourists are still coming. There has been no communal violence in the district recently.

Royal Bawm, manager of Hill Side Resort in Bandarban town, said that almost all hotels and resorts in the town are getting expected occupancy every day and there is no fear among the locals.

However, residents of the hill district said the number of travellers who enjoy adventure and want to travel to remote hilly spots, such as Boga Lake, Tazing Dong, Keokradong, Remakri Waterfall and Nafakhung, has declined since early this year.

Due to the decline, the income of the indigenous people in remote areas of the district has decreased.

Why are chicken and egg

FROM PAGE B1

from 25.4°C to 31.5°C, according to the Bangladesh Meteorological Department.

This was a little high for the comfort of layer chickens necessitating settings of 22°C to 26°C but within the 26°C to 28°C range required for marketable broiler chicken, according to Bapon Dey, head of the poultry science department at Bangladesh Agricultural University.

The demand-supply mismatch assumption was contradicted by Sumon Howlader, president of the Bangladesh Poultry Association, a platform of marginal farmers.

Currently, farms around the country produce 4.5 crore eggs every day while the demand is about 4 crore. As such, floods and high temperatures can lead to a production drop by 20 to 25 lakh, which should not affect the market, he said.

In case of broiler chicken, there were too many intermediaries between farmers and end consumers, for which the price went up, he said.

Mohammad Amanat Ullah of Tejgaon Egg Merchants' Association recommended a government review of the prices every 15 days. He also believes increased production of fish and winter vegetables could reduce egg and broiler chicken prices.

The state agencies set rates based on figures intentionally inflated to appease government high-ups, alleged Kayser Ahmed of Diamond Egg, citing that the sole solution was to increase production.

There is a lack of proper market management as syndicates are active setting prices at their whims and citing excuses that production costs are too high, said Farida Akhter, adviser to the Ministry of Fisheries and Livestock.

The Directorate of National Consumer Rights Protection (DNCRP) is trying to control the rates, but the problem is that the prices go down during market drives and afterwards go up again, she said.

The DNCRP held a meeting with businesspeople concerned on September 26.

At the meeting, Harun or Rashid, vice-president of Tejgaon Egg Merchants' Association, advocated for government monitoring from farms to wholesale warehouses and retailers.

A section of dishonest traders is taking advantage of lapse monitoring, said Fakir Muhammad Munawar Hossain, director for operation and laboratory of the DNCRP.

He advocated for taking out intermediaries by adopting a farm-to-table movement.

BAB urges finance adviser

FROM PAGE B1

The interim government also sought budgetary support from different development partners including International Monetary Fund (IMF) and World Bank.

While speaking to journalists yesterday, Sarker said the government's policymaking process usually does not involve stakeholders.

He said the participation of stakeholders is crucial in

implementing government policies.

He added that only a handful of directors of banks were involved in irregularities, not all.

"Good directors should not be blamed for the misdeeds committed by the bad ones. It would be incorrect to generalise," he further said.

He also said the government could seek funds from development partners like the World Bank, IMF and Asian Development Bank to support cash-strapped banks.

Economy

FROM PAGE B1

Even as global indices recovered from the pandemic blues and the Ukraine-Russia war fallout and reached new heights, local stock market investors remained largely unimpressed.

The leading merchant bank official said most of the companies got listed in the past 15 years when they faced challenges in accessing bank credit due to their deteriorating health.

Meanwhile, Kazi Monirul Islam, chief executive officer of Shanta Asset Management, believes major reasons included the limited number of high-quality investable companies and the underdeveloped nature of institutional investors.

Islam said he invited several foreign investors to invest in the market, but they said that there was a lack of good companies and the liquidity situation was tight.

"It's a big gap for the market," he said.

Bangladesh's savings rate is on the rise, but people are going to banks for fund deposit rather than investing in the stock market due to the inadequate returns generated by asset managers.

"Overall, a lack of good governance is a major issue which has contributed to the market's sluggishness," he added.

In 2010, the average turnover of the Dhaka Stock Exchange (DSE) was Tk 1,643 crore, which is still the highest. In 2021, the average turnover crossed Tk 1,400 crore-mark.

Except for the two years, the turnover never crossed Tk 1,000 crore-mark. In 2023, it was merely Tk 578 crore.

In 2010, the premier bourse's then major index DSE General Index (DGEN) soared to 8,918 points. Later, it started to fall.

In 2013, the bourse launched the benchmark Dhaka Stock Exchange (DSEX) index. After the launch, it soared to above 7,300 points in 2021. But the index was above the 7,000-point level for only a few days.

At present, the index is hovering around 5,500 points.

NBR forms taskforce to reform income tax law

STAR BUSINESS REPORT

The National Board of Revenue (NBR) has formed a taskforce to reform the income tax law in Bangladesh, with its main objective to make the rules people and business friendly.

The seven-member committee, headed by Tax Commissioner Ikhtiar Uddin Mohammad Mamun, will analyse income tax laws, related rules, and statutory regulatory orders before suggesting reforms.

The team will also examine the impact of enforcing certain provisions and regulations under the income tax law, according to a notice from the NBR at the end of September.

Besides, the panel is assigned to review the tax exemptions given by the NBR to various sectors and recommend reforms.

"We will hold meetings with internal and external stakeholders," said Md Mohidul Islam Chowdhury, a joint commissioner of taxes and a member of the taskforce.

Ibn Sina Pharma declares 63% cash dividend

STAR BUSINESS REPORT

The Ibn Sina Pharmaceutical Industry has announced a 63 percent cash dividend for the financial year that ended on June 30 this year, marking its highest payout in seven years.

The company's net profit surged 10 percent year-on-year to Tk 67.04 crore, up from Tk 60.55 crore the previous year.

Ibn Sina's consolidated earnings per share (EPS) was Tk 21.46 as of June 30 compared to Tk 19.38 the year prior, according to a disclosure on the Dhaka Stock Exchange (DSE).

The company's consolidated net asset value per share stood at Tk 111.94 in financial year 2023-24 while its net operating cash flow per share was Tk 12.48.

Founded in 1983, Ibn Sina is a leading player in the local pharmaceutical sector, producing a wide range of pharmaceuticals, including herbal and Unani medicine.

But despite registering higher earnings and paying out attractive dividends, the drug maker's shares dropped by 4.99 percent to Tk 329.40 at the DSE yesterday.



With heatwaves in March and April disrupting the planting season for jute, production of the fiber has dropped 10 percent year-on-year. Prices have already increased by more than 20 percent and farmers expect the shortfall to cause further hikes. PHOTO: SUZIT KUMAR DAS

Jute prices surge as production plummets

SUZIT KUMAR DAS and MD AMINUL ISLAM

Raw jute production in Bangladesh has declined by nearly 10 percent year-on-year, mainly due to punishing heat during the planting period in March and April.

Heatwaves were recorded on at least 23 days in April, with temperatures peaking at around 42 degrees Celsius.

The unprecedented temperatures hindered seed germination and strained supply, which was also impacted by local farmers reducing jute acreage in recent years thanks to declining prices.

Following the drop in the production of raw jute — once dubbed the "golden fibre" of Bangladesh — prices have already soared by at least 22 percent.

Jute growers and traders said the finest quality jute is currently selling for around Tk 3,600 per maund (37 kilogrammes), up from Tk 3,200 just ten days ago and Tk 2,700 last year.

Medium-quality jute prices have also increased by Tk 500 per maund to Tk 2,700 since last year.

Farmers in major jute-producing districts like Faridpur and Mymensingh anticipate further price hikes to Tk 4,000 per maund soon due to the emergence of a supply-demand gap.

According to the Department of Jute, raw jute production this



year is projected to be around 7,574,000 bales (one bale is around 182 kilogrammes), compared to 8,414,000 bales in fiscal year 2023-24.

Arifujaman Chan, a jute trader from the Kanaipur market, one of the largest in Faridpur, said prices are rising daily due to high demand.

Many traders are buying in bulk, he said, anticipating that prices would reach Tk 4,000 per maund soon.

Julhas Mia, a jute grower from Hatkrishnapur village, said increased costs for fertiliser, irrigation and labour had pushed cultivation costs to Tk 27,000-

30,000 per bigha (1,338 square metres).

"Still, yields are low as jute seeds could not germinate properly due to excessive heat during the planting period. Many plants died due to lack of rain," he said.

Imarat Matabbar, a jute grower from Baliadangi village under Saltha upazila of Faridpur, said: "I cultivated jute on 3 bighas of land this year at a cost of Tk 80,000. I harvested 35 maunds of raw jute and sold five maunds at Tk 3,200 per maund compared to Tk 2,700 last year."

Isarat Matubbar, another jute grower from the Chotto Bahirdia

village of the same upazila, said he used to cultivate jute on 5 bighas but reduced it to 2 bighas due to high cultivation costs and low prices.

In Mymensingh, farmers are also happy with raw jute prices. Medium-quality jute is fetching Tk 2,000 to Tk 2,400 per maund while the finest quality costs Tk 3,200 to Tk 3,400 per maund.

Mohammad Johirul Hoque, a farmer from Char Gobindapur village, said medium quality jute was priced at Tk 1,600 while the finest quality was Tk 2,500 per maund last year.

Md Zahidul Islam, an assistant director at the Department of Jute in Faridpur, said many farmers stopped growing jute in recent years.

"Many of them shifted to maize cultivation instead, leading to low jute production in Faridpur," he added.

Md Rashedul Hasan, deputy director of the Department of Jute, said the government's special measures to reduce the use of polythene bags in favour of jute bags had partly increased the demand for jute.

He also acknowledged that the total production of jute decreased this year due to adverse weather conditions.

"But farmers produced good quality jute this season and are getting good prices. With better prices, farmers will increase jute production in upcoming seasons."

Do you need a godfather?

MAHTAB UDDIN AHMED

It goes without saying that in national politics and even in the corporate world, one needs a godfather to survive and succeed. This godfather is not the kind that you find in movies, as in Marlon Brando. These come in the form of mentor guides and, let's be real, they are the heavyweights who have your back.

I learned this lesson the hard way. For years, I believed my professional success was the result of my hard work and determination. I thought I was making it independently with the team I worked with. But in truth, my success had a lot to do with two important figures in my career — my godfathers, if you will, who believed in me and helped me grow. But once they left, everything changed. The new boss, from a completely different industry, failed to see my worth, nor did I put the effort into getting into his good books. The result was not good for either party.

In the absence of my so-called mentors/godfathers, I realized how important they had been. I felt orphaned against office politics. My hard-earned achievements mattered little to the new boss, who had a completely different perspective. It was like speaking a different language. Suddenly, everything I had built with the team seemed to fall apart.

This is not only unique to the corporate world. It is rampantly found in national politics. For example, our former government's "godfather" was our neighbouring country. But now, the interim government has a new godfather — the Western world. The rules of the game may have changed, but we are still playing the same game. One powerful ally was replaced by another. At least we still have a godfather!

To be honest, having a godfather is great — when it works. In the corporate world, it means you have someone who opens windows of opportunities for you and protects you from potential setbacks. It is like having a guardian angel watching over your career.

But there is a downside too. Relying too much on your godfather can make you complacent. You might start to believe that you don't need to work as

hard because someone powerful has your back. But what happens when that person is no longer around? If you have not developed your own skills and reputation, you could find yourself in trouble.

In politics and even in family structures, the same troubling pattern persists: support from a "godfather" always comes with strings attached. When our government relied on the backing of our neighbouring country, we were forced to toe their line on numerous issues. Now, with the shift to a Western "godfather," we are left hoping for more balanced exchanges, but the risk of unrealistic compromises remains. It is clear that, in the end, everything revolves around who holds the power, leaving us caught in a cycle of dependency.

The secret to having a godfather without becoming their puppet is simple: never undermine your own worth. Sure, they are helping you, but you have your skills, and it is important to remind everyone, especially yourself, that you are valuable too. Most importantly, do not take godfathers for granted. One day, they might ride off into the sunset, leaving you alone to stand on your own feet.

Remember, godfathers are not doing any favours; they support you because you are also valuable to them. So, stay sharp and play the game wisely. If they disappear or lose their influence, start searching for the next powerful ally who can open doors for you. In politics and the corporate world, you are only as strong as the people in your corner, so always keep your network growing!

Having a godfather, whether in politics or business, can make or break your success. Appreciating their support while ensuring you can stand on your own is essential. Learn to navigate these relationships carefully and always have a backup plan because, if your godfather flies into oblivion, you do not want to be redundant or, worse still, file for unemployment!

The author is the founder and managing director of BuildCon Consultancies Ltd



Bank of England warns of prolonged economic risk

AFP, London

The British economy remains open to financial market shocks amid geopolitical tensions and high levels of public debt in major economies, the Bank of England warned on Wednesday.

The BoE's Financial Policy Committee (FPC) said that "significant financial market and global vulnerabilities remain" since its report in June.

The Bank pointed to a short-lived market rout in August to illustrate the potential for the market to react strongly to unexpected or even seemingly small pieces of news.

During the summer, a confluence of factors from weaker-than-expected US jobs data to disappointing results from US AI companies, as well as diverging interest rate decisions between the United States and Japan, all came together to cause the market to spike, the bank said.

The BoE warned of the potential for further markets unrest driven by the "current period of elevated geopolitical risk and uncertainty".

The bank's committee did not make specific mention of the effects on the UK economy of recent escalation in tensions in the Middle East, which is pushing up oil prices.

Financial players questioned in the BoE's survey put geopolitical risk at the top of their list of fears about threats to the UK's financial sector.

Adding to geopolitical risks, UK financial stability could be negatively impacted by "high public debt levels in major economies" along with "structural trends such as demographics and climate change", it said.

READ MORE ON B2

Gulf turmoil will leave ratesetters on edge

REUTERS, London

Central bankers are probably watching unfolding events in the Middle East through their fingers. Tuesday's strike by Iran on Israel raises the risk of a robust riposte. One of the dangers facing the global economy is that the conflict makes a mess of ratesetters' plans to loosen monetary policy.

Tehran's 180-missile attack makes it more likely that Israel responds with a direct strike on a meaningful piece of Iranian infrastructure. One potential target is the Islamic Republic's Kharg Island facility, which handles around 90 percent of its oil exports. If that then caused Iran to restrict access to the Strait of Hormuz, through which a fifth of daily oil supply passes, crude prices could spike above \$100 a barrel, like they did in 2022 after Russia's invasion of Ukraine.

US Federal Reserve and European Central Bank ratesetters have plenty of reasons not to panic. Given Iran's missiles caused minimal casualties as Israeli defence systems aided by allies like the US shot them down, Israel may restrict any response to Iran-backed Hezbollah in Lebanon. Even if it doesn't, oil swing producer Saudi Arabia's potential to

pump a lot more crude may offset all but the most serious of Gulf export blockages — its oil minister even warned fellow members of the Organization of the Petroleum Exporting Countries that

prices could slump to just \$50 a barrel if they failed to observe agreed cuts.

Still, central bankers aren't very good at managing energy supply shocks — US and European inflation soared to high-

single-digit levels amid the 2022 power crisis. A serious Middle East-derived repeat, along with other inflationary headaches like the US longshoremen strike, could leave Fed chief Jay Powell and his ECB counterpart Christine Lagarde with a dilemma. Continuing to reduce rates would almost certainly fuel bigger price increases. But pausing rate cuts, or even raising borrowing costs again, would sharply increase the risk of recession for an already sluggish global economy.

Right now, investors aren't factoring much of this in. In Europe, weak economic data means traders expect a second consecutive rate cut to 3.25 percent on Oct.17, according to derivative prices collected by LSEG. They also anticipate a steady stream of reductions after that, leaving the deposit rate at 1.75 percent by October next year. US derivative prices, meanwhile, imply that the benchmark rate will fall to around 3 percent by October 2025 from around 4.9 percent now.

Powell and co are still some way from having to contemplate a major volte-face. But having missed an inflationary spike within the last five years, they are likely to respond even more quickly if events in the Middle East intensify.



The US Federal Reserve is seen in Washington, DC. Pausing rate cuts, or even raising borrowing costs again, would sharply increase the risk of recession for an already sluggish global economy. PHOTO: AFP/FILE