

Denim Expo begins in Dhaka today

STAR BUSINESS DESK

The 17th edition of Bangladesh Denim Expo will begin at International Convention City Bashundhara in Dhaka today.

Bangladesh Apparel Exchange is organising the two-day expo to showcase the country's thriving denim industry.

The show will bring together manufacturers, suppliers, buyers and designers from around the world to show the latest trends and innovations in denim production.

Exhibitions, seminars and workshops that cover various aspects of the denim industry, such as sustainability, technology and design will also be organised at the expo, the organiser said in a statement.

Oil glut makes industry's appeal relative

REUTERS, New York

When there's excess oil, as is the case today, it's easier to pick a winner. Exxon Mobil's balance sheet and diversification make it appealing, but only on a relative basis. The abundance of crude suggests industry returns will only get weaker.

Exxon said, opens new tab on Friday it generated \$8.6 billion of net profit in the third quarter, as production surged 25 percent from a year earlier. Much of it is attributable to the \$60 billion acquisition of rival Pioneer Natural Resources.

Falling commodity prices, however, translated into 5 percent less earnings. Rivals Chevron and ConocoPhillips suffered even worse declines, of 31 percent and 25 percent respectively, despite extracting more crude.

Gluts augur more of the same. The Organization of the Petroleum Exporting Countries and its allies are sitting on record spare capacity.



Farmers gather paddy using a combine harvester at Gobindaganj upazila of Gaibandha. The farm machine both cuts the paddy and threshes grain, helping to save on time and cost of labour. The photo was taken a couple of months ago.

PHOTO: MOSTAFA SHABUI

Demand for combine harvesters rising

Say speakers at USAID training on operating the machine

STAR BUSINESS REPORT

The demand for combine harvesters is increasing in Bangladesh as the county's farmers are finding this type of agricultural machinery to be economically beneficial, according to speakers at a programme yesterday.

The equipment, which enables rice producers to harvest and thresh their paddy, saves both on time and cost of labour, they said.

It also reduces post-harvest losses, the speakers said at the launching of a training on operating combine harvesters at Pan Pacific Sonargaon Dhaka.

The training is a part of a project, styled "Cereal Systems Initiative for South Asia – Mechanization Extension Activity (CSISA-MEA)", which is being funded by the USAID.

Owen Duncan Calvert, team leader of the CSISA-MEA project, said Bangladesh imported at least 10,000 combine harvesters over the past few years.

However, he believes that the local demand for combine harvesters was probably a couple

of times higher than the number imported.

"We're still a long way from meeting the market demand," he said.

He said combine harvesters reduce the need for manpower for harvesting, which significantly lowers labour costs. Besides, combines minimise the physical damage to crops, improving their overall quality and market value, said Calvert.

The machine, which enables rice producers to harvest and thresh their paddy, saves both on time and cost of labour

"Due to these reasons the demand is increasing," he added.

He informed that combine harvesters do both the cutting and threshing of a crop. Also, there are estimates that using a combine harvester cuts labour costs by about 50 percent, said Calvert.

"It is much faster than waiting for labourers to cut and thresh the paddy," he added.

Calvert also said the training would help combine operators in Bangladesh by providing a safe, controlled environment for developing skills before handling actual machinery.

Simulation technology will provide efficient training on how to use combine harvesters, he added.

Jeffrey Zahka, deputy director of the office of economic growth at USAID Bangladesh, said agricultural mechanisation in Bangladesh was not just about introducing new technology.

It is about creating a sustainable ecosystem where private sector innovation helps meet farmers' needs, he said.

"By promoting solutions like combine harvesters, we are not only helping small-scale farmers increase their productivity and reduce post-harvest losses, but also opening new doors for business growth," he said.

"When farmers prosper and businesses thrive, we will have created a lasting change that strengthens Bangladesh's agricultural future," Zahka added.

China to revise law for tighter scrutiny of govt debt

REUTERS, Beijing

China aims to step up supervision of government debt and plans to revise the law to do so, a spokesperson of the legislative affairs committee of the National People's Congress (NPC) said on Friday.

The changes proposed by the NPC's standing committee will require annual progress reports on debt management work from the cabinet and local governments, the spokesperson, Huang Haihua, told reporters.

The committee "should supervise government debt and establish a sound reporting system for government debt management," Huang said.

Draft amendments are set to be discussed when the standing committee meets from November 4 to November 8, Huang added, aiming to expand its oversight authority

over government debt management, as well as financial and economic work.

Last month, Finance Minister Lan Foan said China would "significantly increase" government debt and support consumers and the property sector, but gave no details of the scale or timing of the fiscal measures.

Reuters reported that China is considering approving next week new debt issuance of more than 10 trillion yuan (\$1.4 trillion) to tackle hidden local debt, fund buybacks of idle land and reduce a giant inventory of unsold flats, with decisions expected by the end of next week's meeting.

The standing committee of the National People's Congress, or China's parliament, will also supervise the financial and economic work of the cabinet and local governments and review reports on fixing problems identified in audits, Huang added.

Besides, the NBR will reward firms in district levels that ensure their employees submit tax returns.

"We will arrange a training session on November 5 at the Secretariat with all ministries and IT experts so that they can provide training to the respective officials," Khan said.

The NBR will also launch a continuous training programme from November 6 for interested individuals.

"We want to cover all institutions as it will be open to all," he added.

As of yesterday, a total of 1.66 lakh taxpayers have submitted their returns online.

Special arrangements

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Additionally, all scheduled banks and mobile telecom service providers now require employees to file income taxes online.

Some multinationals have also been brought under the rule, including Unilever Bangladesh Limited, British American Tobacco Bangladesh Limited, Marico Bangladesh Limited, Berger Paints Bangladesh Limited, Bata Shoe Company (Bangladesh) Limited, and Nestlé Bangladesh PLC.

"Chief Adviser Prof Yunus has requested all taxpayers to file e-returns," Khan said.

Swift move for EPA

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with each of the 15 member countries and decide whether it will accept the requests."

The ambassador also said: "Korean companies have been long-standing partners of Bangladesh, contributing significantly to the growth and success of the RMG industry. In recent years, we have witnessed remarkable developments in diversifying areas of cooperation beyond RMG, particularly in manufacturing and infrastructure."

"However, the post-LDC graduation phase will require considerable efforts from both the government and private sector to overcome a lot of challenges that Bangladesh will face in coming years," he added.

Park also gave some sage advice

for the impending achievement, saying: "Graduation from LDC status means that Bangladesh should focus not just on the quantity, but the quality of its economic growth."

FICCI President Zaved Akhtar emphasised that a collaborative approach is crucial to driving innovation and development, which will unlock new investment opportunities.

"This is the right time to not only bring back confidence after bit of a challenge in the past few months, but also investment."

Adilur Rahman Khan, adviser to the Ministry of Industries as well as the Ministry of Housing and Public Works, said the government is working hard to create an investment-friendly environment.

Chowdhury Ashik Mahmud Bin Harun, executive chairman

of the Bangladesh Investment Development Authority, said any foreign company intending to invest in Bangladesh would be treated fairly.

"Of course, there are challenges, and every country comes as a package. We are also a package and have our own set of challenges that we are trying to tackle," he said, adding that the government would not interfere with businesses but instead focus on removing obstacles.

Samsoo Kim, director general of the Korea Trade-Investment Promotion Agency, emphasised the importance of enhancing trade and investment ties between the two nations in the keynote speech.

The seminar was moderated by TIM Nurul Kabir, executive director of FICCI.

Linde Bangladesh

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Following the earnings report, the company's share price rallied 7.49 percent, rising from Tk 942.3 to close at Tk 1,012.9 at the DSE yesterday.

However, Linde's net asset value per share (NAVPS) dropped year-on-year from Tk 387.33 to Tk 220.31 in the third quarter.

"The NAVPS decreased due to the interim dividend payment for the period ending on October 31, 2023 and July 31, 2024," the company said in the disclosure.

Linde Bangladesh had recommended an astonishing 4,100 percent cash dividend for the January to July period this year, the highest since it was listed on the DSE.

A member of Linde PLC, a global leader in industrial gases, Linde has been operating for over 70 years in Bangladesh, supplying sectors from healthcare to manufacturing through its extensive production facilities and market presence.

Rising remittance

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adding that remittance inflow and export earnings will have to increase further to mitigate the ongoing pressure on foreign exchange reserves.

In the July to August period of this fiscal year, exports grew only 2.5 percent year-on-year.

Mujeri, also a former chief economist of the Bangladesh Bank, said that Adani Power has already warned Bangladesh of a complete suspension of supply if overdue payments of around \$850 million are not cleared.

The economist recommended the government export skilled manpower to increase remittance earnings.

He also said authorities should find new markets and take initiatives to tackle hundi, an illegal and informal remittance instrument.

During January to September of this year, the number of workers who went abroad stood at 698,558, down from 989,685 in the same period

of the previous year, data from the Bureau of Manpower Employment and Training showed.

In FY24, remittance inflow stood at \$23.91 billion, up from \$21.61 billion the year prior, BB data showed.

The country's foreign exchange reserves stood at \$19.87 billion (BPM6) till October 30 of this year, down from \$20.70 billion (BPM6) at the same time last year, BB data showed.

Bangladesh's foreign exchange reserves have been falling since surging to a record high of \$48 billion in August 2021.

Besides, external factors such as the slowdown of the global economy, mismanagement in the Bangladesh's forex market, frequent policy changes by the central bank and the gap between the official and unofficial exchange rate are also to blame for the crisis.

Since 2021, the central bank has pumped around \$27 billion to the market from its reserves.

Samsung vows to boost AI chip sales

ANN, The Korea Herald

Samsung Electronics said Thursday it will focus on producing high-value chips and is ready to supply the cutting edge AI chips high in demand after announcing disappointing quarterly earnings.

The company also hinted it is making strides to supply its cutting-edge HBM3E chips to Nvidia, which controls some 80 percent of the world's AI chips, and said it aims to mass produce the next HBM4 in the second half of next year.

"There was a delay in commercializing HBM3E chips, but we have made meaningful progress by passing an important stage in the chip qualification test process with our major customer," Kim Jae-june, executive vice president in charge of the memory chip business, said in the earnings call for the July-September period.

"The company expects to expand sales of HBM3E in the fourth quarter this year, and the product is expected to take about 50 percent of the total HBM sales in the last quarter."

Even though the vice president did not reveal the customer, Nvidia is widely seen as the key client of the advanced AI chips.

The renewed push for AI chips comes after Samsung reported an operating profit of 9.2 trillion won (\$6.66 billion) in the July-September period, which came far below market expectations, hovering at 10 trillion won.

Samsung's chip division alone posted sales of 29.2 trillion won, and an operating profit of 3.9 trillion won in the third quarter. The company attributed the weak earnings to one-off expenses such as the provision of incentives worth over 1.2 trillion won, and currency effects due to a weak dollar.

Japan cuts growth forecast again

REUTERS, Tokyo

Japan's government on Friday lowered its GDP growth forecast for the current fiscal year as weaker exports drag on a fragile economic recovery.

In its revised estimates, the Cabinet Office cut its inflation-adjusted gross domestic product growth forecast for the current fiscal year ending in March 2025 to 0.7 percent from 0.9 percent projected in July.

The new downgraded forecast follows a similar cut to the outlook in July, but is still above private-sector forecasts for 0.5 percent growth. The growth projection for the next fiscal year was kept at 1.2 percent.

The government releases its economic growth forecasts in January and then revises them around July. A revision this time of the year is rare, however, and highlights the growing pressure on the economy from cooling global demand and fragile domestic consumption.

The Bank of Japan maintained ultra-low interest rates on Thursday and said risks around the US economy were somewhat subsiding, signalling that conditions are falling into place to raise interest rates again.

But any prolonged weakness in both global and domestic demand could slow the BOJ's plans to fully exit from a decade of easy monetary conditions.

The forecasts serve as a basis for compiling the state budget.

IFIC Bank

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To inquire about the status of the dues, The Daily Star messaged and called the country's ace cricketer several times, but did not receive any response.

IFIC Bank Managing Director Syed Mansur Mustafa also did not respond to requests for comment.

Shakib, a former member of the Awami League, lost his position as a member of parliament after former Prime Minister Sheikh Hasina was ousted by a student-led mass uprising in early August.

The veteran cricketer was not in Bangladesh during the political changeover and chose not to return home afterwards amid outrage and protests.

Last month, the Bangladesh Securities and Exchange Commission (BSEC) fined Shakib Tk 50 lakh for manipulating the share price of Paramount Insurance in 2023.

Shakib's e-commerce company, Monarch Mart, was fined Tk 1 lakh in the same case.

In 2022, the BSEC flagged similar stock manipulations regarding the shares of Fortune Shoes, BDCOM Online, NRB Commercial Bank and One Bank through serial trading.

Shakib's name came up as a significant trader during these share manipulations. However, the BSEC did not take any action against him.

Govt lifts investment cap

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could be invested in the wage earner bond for 15 years: initial investment for five years and a renewal scope for the next two tenures.

Bangladeshis living abroad can also reinvest the funds they invested in the other diaspora bonds, the US Dollar Premium Bond and US Dollar Investment Bond, for 15 years: initial investment for three years and four reinvestment opportunities.