

Star BUSINESS



Inflation expected to decline soon: Yunus

STAR BUSINESS REPORT

Chief Adviser Prof Muhammad Yunus yesterday admitted that the interim government has not yet been able to control inflation but expressed his belief that it would come down soon.

Addressing the nation marking the Victory Day, Yunus said the government was working earnestly to control inflation.

Inflation hit a four-month high of 11.38 percent in November this year. It has stayed at over 9 percent since March of last year.

The government and the Bangladesh Bank have been trying to control the inflation by introducing various measures, including hiking the policy rate.

The policy rate is an interest rate that a country's monetary authority, meaning the central bank, sets in order to influence the main monetary variables in the economy, such as consumer prices, exchange rates and credit expansion.

After the interim government came to office, the central bank hiked the policy rate several times, effectively turning loans costlier to curb spending and thereby tackle the inflationary pressure.

The government has set a target to reduce inflation to 7 percent by the end of next June and below 5 percent in the next fiscal year, said Bangladesh Bank Governor Ahsan H Mansur recently.

The prices of some goods have risen in recent months, but the government is trying to increase supply, reduce import duties, curb the influence of middlemen and monitor the market, said Yunus



Prof Muhammad Yunus

yesterday.

Extortion in the transportation sector has not yet been completely stopped. "If it can be put to an end, we hope prices will decrease further," he pointed out.

"We empathise with your hardships. However, we know that the government's job is not just to express sympathy. We are making every effort to alleviate your suffering," he said.

The government is also seeking everyone's cooperation to keep commodity prices at a reasonable level during upcoming Ramadan, said Yunus.

"We have already spoken with traders, who have assured us that there will be no supply shortages in the market. If anyone tries to create an artificial crisis for extra profit, we will take strict action against them," he said.

The government is working to establish an alternative agricultural market to curb the influence of market syndicates, he said.

Regarding the country's economy and businesses, the chief adviser said export earnings stood at \$4.12 billion in November, which was 15.63 percent higher than that in the previous month.

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Election to boost business confidence: entrepreneurs

VIEWSOFBUSINESSES

Polls will restore business confidence

Hold elections after implementing vital reforms

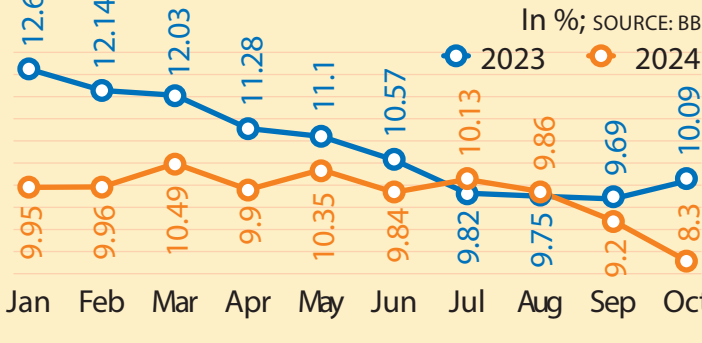
Law and order will improve under an elected government

Elections must be free, fair and credible

Sustainability of reforms is vital

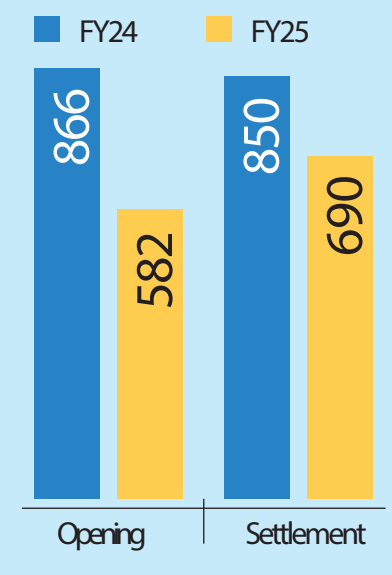
A credible voter list is also needed

CREDIT GROWTH TO PRIVATE SECTOR



CAPITAL MACHINERY IMPORTS

In million \$; SOURCE: BB



REFAYAT ULLAH MIRDHA and AHSAN HABIB

Business leaders, economists and professionals have emphasised that an elected government is essential for restoring confidence in the business community, stabilising law and order, and revitalising the business and investment climate.

They also welcomed the speech delivered by Chief Adviser Muhammad Yunus yesterday as he assured that general elections would be held by the end of 2025 or in early 2026, subject to the completion of vital reforms.

Yunus made the much-anticipated announcement about

when the interim government, which assumed power in early August, may organise national elections in his address to the nation on Victory Day.

Members of the business community also echoed that vital reforms in different sectors, which the interim government is currently working on, must be completed before holding the next general election.

Bangladesh's economy has been suffering from a slowdown in recent years, depressed by high inflation, reducing purchasing power, rising interest rates, and slowing private sector credit growth. Imports of capital machinery, another key

indicator of private investment and job creation, have also been on the downturn.

In October, private sector credit growth slowed to 8.3 percent year-on-year from 10.09 percent. Meanwhile, letter of credit openings for capital machinery imports dipped 33 percent year-on-year to \$582 million in the first four months of this fiscal year, according to the Bangladesh Bank data.

"It is better to hold the elections after completing at least the pressing reforms. Of course, free and fair elections will stabilise the law-and-order situation and help restore confidence to businessmen,"

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Non-leather footwear on course to half-billion export club

JAGARAN CHAKMA

Bangladesh's synthetic and athletic footwear exports have been growing rapidly, emerging as a bright spot in the country's export basket, which is heavily dominated by readymade garments.

In the decade preceding the end of fiscal year 2023-24, non-leather footwear exports ballooned 120 percent, jumping from \$189 million to \$416 million.

Such robust growth has continued into the current fiscal year, according to the Export Promotion Bureau (EPB).

In the first five months of FY25, non-leather footwear exports grew 41 percent year-on-year to \$217.81 million, EPB data shows.

Exporters anticipate that the sector is poised to enter the half-billion-dollar club by the end of this fiscal year, joining leather footwear, jute and jute goods, home textiles and agricultural products.

"Western buyers are turning away from global footwear giant China to diversify their sourcing basket and avert looming large tariffs on Beijing from the White House," Riad Mahmud, managing director of Shoenerverse Footwear, said as he outlined reasons for the segment's growth.

Mahmud's footwear factory in Mymensingh, which employs around 1,700 people, supplies products to global brands such as Inditex, Aldi, Matalan and RedTape.

Although Bangladesh has long been trying to diversify its export basket, readymade garments still account for over 80 percent of total exports.

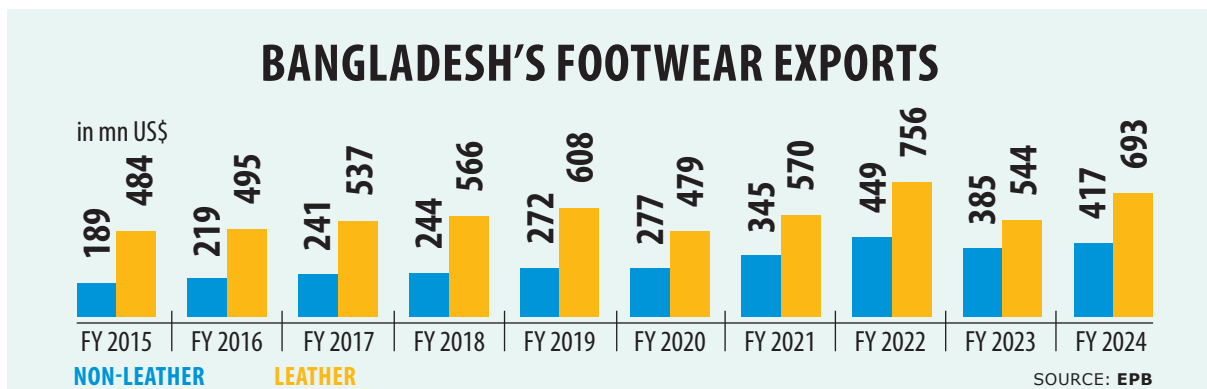
Mahmud said global brands are well aware of Bangladesh's advantages, such as competitive labour pricing, and its strong track record in apparel products, which encourages them to place footwear orders.

"Bangladeshi manufacturers can offer competitive prices for synthetic shoes compared to Vietnam due to lower labour costs. This has attracted globally renowned brands and new buyers," he added.

He said big brands had booked Shoenerverse's factory until March next year and buyers are now approaching him for future slots due to the possibility of the US imposing higher tariffs on Chinese products.

According to a market assessment by the Bangladesh Investment Development Authority (Bida), the rise in non-leather shipments is a result of increased work orders from well-known global brands like H&M, Puma, Decathlon, FILA and Kappa.

The main export destinations for these products are



Spain, France, the Netherlands, South Korea, India, Italy and Germany.

BETTER THAN LEATHER

EPB data shows that Bangladesh's non-leather footwear exports have grown at an average annual rate of 23 percent in the past 10 years while the leather footwear industry has seen average growth of only 6 percent.

Leather footwear exports grew to just over \$544 million in FY24 from \$483.81 million in FY15.

However, despite the segment's enormous potential, synthetic shoe exporters receive a cash incentive of only 4 percent, Mahmud said, adding that the leather footwear sector was afforded 15 percent.

Though dominated by small-scale factories, the

synthetic footwear segment is rapidly growing due to the relatively low investment required to set up an export-oriented production unit.

"It doesn't matter who enters the Oval Office after Trump since Bangladeshi manufacturers of synthetic footwear are well positioned to capitalise on any tariffs on China in the meanwhile," Mahmud said.

SYNTHETIC FOOTWEAR THE FUTURE OF EXPORT

Jakaria Shahid, managing director of Edison Footwear Limited, believes the synthetic footwear industry will hold the key to export diversification in the future due to its rapid growth.

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NBR removes all import taxes on sunflower, canola oil

STAR BUSINESS REPORT

The National Board of Revenue (NBR) yesterday removed all import taxes on sunflower and canola oils in a bid to encourage imports, boost the supply of edible oil and curb their soaring prices in the domestic market.

The decision comes two weeks after the Bangladesh Trade and Tariff Commission (BTTC) recommended the government reduce import taxes on sunflower oil and canola or rapeseed oil to offer a greater range of cooking oils in the markets.

The revenue board said the tax benefit for import of these types of oils will be valid until March 31 next year.

The cut in tariffs will reduce the import cost of these oils by Tk 40-Tk 50 a litre, the NBR said in a press release today.

Bangladesh's consumers, already grappling with persistent inflation, have seen cooking oil prices rise over the past three months.

This increase has been driven by higher international prices and supply concerns resulting from reduced palm oil production in Malaysia and Indonesia, the world's two largest producers of palm oil, which are increasingly focusing on using it for biodiesel.

Bangladesh depends largely on import to meet its domestic demand of approximately 23 lakh tonnes of edible oil a year.

On Sunday, the average price of unpackaged palm oil was Tk 156.5 per litre, up 23 percent year-on-year, according to market price data compiled by the Trading Corporation of Bangladesh.

Prices of soybean oil rose too with packaged oil becoming scarce in the retails amid supply shortage.

Against this backdrop, the BTTC last week recommended that the government impose a 25 percent regulatory duty on the export of crude and refined rice bran oil to increase domestic supply.

Yesterday, the NBR said it also slashed value-added tax (VAT) on the import of sunflower and canola oils to 5 percent, along with the 5 percent VAT cut on import of palm and soybean oil from the international market.

Before lifting the import tariff, crude sunflower oil importers were required to pay a total of 31 percent of their purchase price in duties and taxes, while for the refined version it was 32 percent.

For raw canola oil, total import duty and taxes were 37 percent, while for the refined version it was 58 percent, the BTTC said in its report sent to the commerce ministry and the NBR earlier.

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Bepza invites Chinese investors to Bangladesh

STAR BUSINESS DESK

The Bangladesh Export Processing Zones Authority (Bepza) urged Chinese investors to come and explore the golden opportunity to invest in Bangladesh.

Major General Abul Kalam Mohammad Ziaur Rahman, executive chairman of Bepza, made the request at a seminar in Ningbo, China yesterday, according to a press release.

Bepza and the Ningbo Daxie Chamber of Commerce (NDCC) jointly organised the seminar, styled "Investment Opportunities in the EPZs and EZ of Bepza". It was attended by around 120 people, including prospective investors, local media, investment analysts, and business lawyers.

"Come and explore a golden opportunity to invest in Bangladesh, a nation where potential meets performance, and partnerships lead to prosperity," Rahman said.

Highlighting the country's strategic location and dynamic economy, the Bepza executive chairman said, "Bangladesh is located strategically at the crossroads of South Asia and Southeast Asia, offering seamless access to regional and international markets."

"Our vibrant population of over 180 million, predominantly young, educated, and highly skilled individuals, ensures a robust workforce that can drive businesses to new heights."

The main attraction for investing in Bangladesh is that it is inexpensive and has an easily trainable workforce, he emphasised, adding that the minimum wage is the lowest in Asia.

The country's investment policies have been consistently liberalised to ensure a favorable environment for foreign investors.

Moreover, Bepza has been providing a "One Stop Service" to its investors, making it easier for them to set up and operate industries in EPZs.



Maj Gen Abul Kalam Mohammad Ziaur Rahman, executive chairman of the Bangladesh Export Processing Zones Authority (Bepza), poses for photographs with participants and organisers of a seminar, styled "Investment Opportunities in the EPZs and EZ of Bepza", organised by the Bepza and the Ningbo Daxie Chamber of Commerce in Ningbo, China yesterday.

PHOTO: BEPZA

Rahman also outlined Bepza's future plans, including the development of the Bepza Economic Zone at Mirsharai in Chattogram, which has attracted 41 enterprises.

The establishment of three new EPZs in Jashore, Patuakhali, and Gaibandha is also underway. They are expected to be ready for investors by the end of 2025.

In addition, investors from 38 countries have invested in the EPZs and Bepza Economic Zone, with 449 enterprises in operation, cumulative investment of \$ 6.8

billion. Over half a million Bangladeshi nationals work directly for these enterprises.

Among them, 107 industrial units have been established by the Chinese at a cost of \$ 1.6 billion, creating job opportunities for 133,000 Bangladeshis.

Cao Jun, executive director of the NDCC, and Md Tanvir Hossain, executive director (investment promotion) of the Bepza, Tarek Hossain, director (investment promotion) and Ali Istiak Chowdhury, director, were also present.

Gold inches higher on softer dollar as attention turns to Fed meet

REUTERS

Gold prices gained on Monday on a softer dollar, while investor caution set in ahead of the US Federal Reserve's policy meeting where the central bank is expected to deliver a third rate cut this year and provide hints regarding its 2025 outlook.

Spot gold was up 0.4 percent at \$2,658.64 per ounce as of 0918 GMT. US gold futures rose 0.1 percent to \$2,677.70.

The dollar index fell 0.2 percent, retreating from more than a two-week high reached on Friday, making dollar-priced bullion more affordable for holders of other currencies.

"Market participants are awaiting the FOMC meeting and any guidance on future rate cuts," said UBS analyst Giovanni Staunovo. "We continue to expect a 25 bps cut this week and four more cuts next year."

The Fed is anticipated to lower interest rates by a quarter point at its two-day policy meeting, which starts on Tuesday

The Fed is anticipated to lower interest rates by a quarter point at its two-day policy meeting, which starts on Tuesday. It will also offer updated projections on potential rate cuts for 2025 and possibly 2026.

"This (rate cuts) should support further investment demand and lift the gold price to \$2,900/oz by mid next year," Staunovo said.

Non-yielding bullion tends to shine in a lower interest rate environment and during economic or geopolitical uncertainty.

Israel said on Sunday it plans to double its population on the occupied Golan Heights, citing Syrian threats despite the moderate tone of rebels who ousted Assad last week.

Gold and silver demand should remain strong until the US and global growth puts in a floor, with buying as a hedge against equity downside, that is until US interest rates get to neutral, Citi said in a note, adding that it sees "gold and silver peaking around."

bKash holds anti-money laundering seminar

STAR BUSINESS DESK

Mobile financial service (MFS) provider bKash organised an annual seminar in Dhaka recently to boost the skills of employees engaged in anti-money laundering and combating financing of terrorism (AML&CFT) activities.

The two day long seminar brought together employees from the AML&CFT department to address challenges to regulatory compliance, explore new products and services, and discuss the latest developments.

Kamal Quadir, chief executive officer of bKash, attended the seminar, according to a press release.

The seminar also outlined organisational and compliance priorities for the upcoming year.

During the seminar, various aspects of AML&CFT compliance programme were analysed and discussed, keeping the compliance officers updated with recent developments in systems and solutions.

In its reporting, bKash has developed dedicated compliance teams deployed in various regions of the country in line with the recommendations of the regulator.

The MFS provider is also playing a pioneering role among the Bangladeshi MFS providers in deploying customised compliance tools like "AML360 Financial Crime Investigation Solution" and "Screening Intelligence System".



Maj Gen (ret'd) Sheikh Md Monirul Islam, chief external and corporate affairs officer and chief anti-money laundering and compliance officer of bKash, poses for group photographs with participants of an annual seminar on anti money laundering and combating the financing of terrorism in Dhaka recently.

PHOTO: BKASH

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (DEC 15, 2024)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 68-Tk 80	0	13.85 ↑
Coarse rice (kg)	Tk 50-Tk 55	-1.87 ↓	5.00 ↑
Loose flour (kg)	Tk 40-Tk 45	0	-10.53 ↓
Lentil (kg)	Tk 105-Tk 110	0	0
Soybean (litre)	Tk 163-Tk 165	-4.09 ↓	4.13 ↑
Potato (kg)	Tk 65-Tk 80	3.57 ↑	45.00 ↑
Onion (kg)	Tk 80-Tk 125	-26.79 ↓	-18.00 ↓
Egg (4 pcs)	Tk 47-Tk 50	-1.02 ↓	11.49 ↑

SOURCE: TCB

Laggard European markets may be 2025's top recovery trade

REUTERS, London

The year ahead is shaping up badly for Europe with its financial markets already hit hard by US tariff fears and political turmoil in France and Germany, yet some investors are calling peak pessimism and hunting for bargains amid the gloom.

European stocks are set to underperform the US by the most in at least 25 years, MSCI data showed, while the euro has slumped more than 5 percent against the dollar and some forecasters expect sustained bad news to drag it below \$1.

But as the region's markets get cheaper, investors are increasingly interested in hunting for bargains, arguing that assets are fully priced for more disappointment and could rally strongly if the geopolitical and economic backdrop brightens.

"We believe Europe could be a positive surprise for underexposed investors," said Edmond de Rothschild co-head of equities Caroline Gauthier. "We are close to reaching a peak in negativity and that is good news."

A broad MSCI index of continental European stocks has gained 4.6 percent this year, while a comparable US index surged 29 percent as artificial intelligence fever powered stunning gains for the tech titans that dominate Wall Street equity markets.

US stocks gained 25 percentage points more than European stocks this year, a record gap between the two regions on data going back to 2004.

"Valuation levels in Europe are (now) far more attractive," said Sonja Laud, CIO of Britain's biggest asset manager Legal & General Investment Management.

The manager of \$1.5 trillion of investments was not yet broadly raising exposure to Europe, she

added, but warning to stock market sectors like car makers and luxury goods that would benefit if China's slowdown eased and US tariffs were less punitive than feared.

Euro zone productivity is weak, the European Central Bank downgraded its growth forecasts on Thursday alongside its fourth rate cut of the year, and cautious households are hanging onto their savings.

Yet, in one sign traders see market pricing as extreme, German stocks have started to soar. Germany's DAX index is up 4 percent so far in December and set for its best month since March.

Europe's biggest asset manager Amundi forecasts strong gains for the euro next year while other major European investors are warming to beaten-down French stocks.

A line chart showing the relative performance of German large-cap, mid-cap and small-cap stocks so far in 2024.



A double-decker bus passes by the imposing skyline of the banking district in Frankfurt, Germany on November 8, 2023.

PHOTO: REUTERS

Germany is expected to hold snap elections in February after Olaf Scholz's fractious coalition collapsed and while top leadership contender Friedrich Merz backs stimulus spending, that would also require unusually strong cross-party unity.

"We're trying to make the most of the pessimism we see in Europe," said Kevin Thozet, investment committee member at European asset manager Carmignac, adding he was building positions in European multi-nationals that have similar businesses to US peers but trade on lower valuations.

For sure, euro zone economic trends remain woeful. Citi's economic surprise index for the bloc is below the zero level, showing data is widely missing expectations.

But it has stopped falling sharply, indicating that the severity of negative data shocks for markets has reduced.

Euro zone economic data is generally worse than market expectations while the level of positive surprises in the US economy has fallen.

"Bearish positioning (in Europe) has reached extremes," Citi strategists said on December 10, recommending clients buy into the region because monetary and government stimulus would benefit economically cyclical businesses in sectors like manufacturing and travel.

Columbia Threadneedle chief European economist Steven Bell said European assets were cheap "for good reasons," citing the region's economic struggles.

But, he added, the asset manager was investigating opportunities among cheaply valued French stocks that could rally if the nation's budget stresses abated.

WALL STREET BUBBLE? Measure of the 'effective' number of companies on an index that move stock markets showing rising concentration risk on Wall Street.

Bank of America strategist Michael Hartnett said in a note to clients that potential US tariffs will push US inflation and interest rates higher by the spring of 2025, sparking a rush of investment into "cheap" international alternatives to US stocks.

US equity markets are heavily dependent on the fate of big tech stocks, whose runaway gains have taken so-called concentration risk, which rises as the number of stocks that dominate a market declines, to record levels, data from investment group Simcorp showed.

Hartnett predicts a "major correction" in US stocks in the first half of 2025 and expects European companies to attract more investment for this reason.

US case against Adani

FROM PAGE B4

The US Justice Department declined to comment on whether the United States had asked India to extradite Gautam Adani.

Both Adani Group and Adani himself have recently made public statements emphasizing that the conglomerate's executives had not been charged with violating the FCPA.

Conspiracy to violate the FCPA is punishable by up to five years behind bars. The fraud charges Gautam Adani and the other Adani Group defendants face are each punishable by up to 20 years in prison.

Drew Rolle, the deputy chief of the business and securities fraud section at the Brooklyn US Attorney's office, said his office had a responsibility to protect

the integrity of US capital markets.

The office has secured a number of convictions in foreign bribery cases with US connections. In August, jurors found Mozambique's former finance minister guilty on fraud and money laundering conspiracy charges for embezzling loan proceeds he had told banks were destined for economic development projects.

Rolle said honest companies are harmed when firms like Adani's allegedly mislead investors.

"It's not only a bribery case, it's an important securities enforcement case," he said at a Dec. 6 conference in New York hosted by the Practising Law Institute. "If you're going to access our capital markets, you're going to play by the rules."

Made in Bangladesh

FROM PAGE B4

Islam urged the government to reconsider the aromatic rice export ban, arguing that the product, being a premium variety, does not pose a threat to national food security.

Faria Yasmin, chief business officer of the ACI Foods & Commodity Brands, pointed to a reduction in the last budget on cash incentives on exporting agricultural products from 15 percent to 10 percent,

negatively impacting their pricing and profitability.

She also called for ensuring punitive measures against incentive misuse.

According to Iqtadul Hoque, general secretary of the BAPA, while new markets are emerging, they have yet to become top export destinations.

"Exporters are actively working to expand their reach," he added.

India sugar output

FROM PAGE B4

and below annual consumption of around 29.6 million tons, the federation estimates.

BETTER RETURNS

But ample water is not the only reason behind the farmers' drive for higher cane planting. Many farmers shifted to cane after receiving poor returns from alternative crops such as soybeans and cotton.

"Farmers shifted to other crops from sugarcane last year due to water scarcity, but they ended up incurring losses. Now they are seeking a crop that will provide assured returns," said BB Thombare, managing director

of Maharashtra-based sugar mill Natural Sugar & Allied Industries.

Increased cane planting will enable India to export 3 million to 5 million tons of sugar in the next season, provided the weather remains favourable and there are no major pest infestations, said Ashwini Bansod, vice president for commodities research at Phillip Capital India.

India, whose sugar export markets include Indonesia, Bangladesh and the United Arab Emirates, was the world's No 2 exporter during the five years to 2022/23, with volumes averaging 6.8 million tons annually.



A poultry farmer collecting eggs from his farm in Dhaka's Dhamrai upazila recently. PHOTO: AKLAKUR RAHMAN AKASH

Small poultry farmers threaten strike over 'corporate influence'

STAR BUSINESS REPORT

Bangladesh Poultry Association (BPA) has threatened to halt production of broiler chickens and eggs from January 1 if the interim government failed to address their demands, including curbing the influence of alleged corporate syndicates.

Corporate entities are increasingly monopolising and destabilising the market, said the platform of around 17,000 farmers and traders running small-scale operations by issuing a press release on Sunday.

The country has about 22,000 farms engaged in producing eggs and another 69,000 in rearing broiler chicken, according to the Department of Livestock Services.

Competition among the small-scale farms helps control prices and ensures market supply amidst demand, whereas the corporates end up controlling all aspects in the long run, they said.

Small-scale farms cannot compete with the rates offered by the big companies for eggs and chicken, they added.

To attain a balance in the market, the government should limit corporates to producing feed and day-old chicks while the production of eggs and broiler chicken should be left to the small-scale farms, they added.

The government should also have a mechanism to determine the prices of feed and chicks as the corporates have been "unreasonably" raising the rates, which has pushed up production costs of small farms, said the BPA.

Other demands of the association include ensuring loans on easy terms, support after calamities, separate markets for small farms, policies for regulating corporates and a stop to contractual farming.

National advisory council on statistics restructured

New 17-member panel will work to produce globally-accepted data

STAR BUSINESS REPORT

The government has restructured the National Advisory Council on Statistics (NACS) with an objective to making statistics more user-friendly and producing globally-accepted data.

This year, the planning adviser will head the 17-member council, which will recommend the government's priorities for conducting surveys, censuses, and other statistical activities in the changing scenario.

The council will also provide recommendations on the budget, work plan implementation, timetable, and methodology for censuses conducted by the Bangladesh Bureau of Statistics (BBS), according to a notification issued by the Cabinet Division last week.

"Our main objective is to strengthen the BBS to make data trustworthy," said SM Shakil Akhter, additional secretary of the statistics and informatics division and also member secretary of the NACS.

The move comes the time when questions were raised on the credibility of various national statistics on the economy.

The white paper committee, in its report, has identified discrepancies in data prepared by state agencies on gross domestic product (GDP), inflation, poverty, population, and agricultural production.

The white paper panel, led by economist

Debapriya Bhattacharya, had consulted with relevant data professionals of the BBS and other organisations and commented that the political policymakers took a special interest in the GDP figures.

The committee, which submitted its report earlier this month, alleged that a collusive group within the BBS had emerged to ensure that the country's economic performance appeared positive under all circumstances, even if only on paper.

During the post-2019 period, this collusive group was largely maintaining the act.

The members of the NACS – comprising Bangladesh Bank governor, chairman of the National Board of Revenue and director generals of the Department of Agricultural Extension, Bangladesh Institute of Development Studies and BBS – will meet twice a year.

The government has also included the president of the Federation of Bangladesh Chambers of Commerce and Industry and chairmen of the departments of economics and statistics of the Dhaka University in the NACS.

The government formed such panel on statistics for the first time in 2022 and it was revised in April this year after the 12th parliamentary election held in early January this year.

Bitcoin tops \$106,000, hopes grow for strategic reserve

REUTERS

Bitcoin hit a record high above \$106,000 on Monday after President-elect Donald Trump suggested he plans to create a US bitcoin strategic reserve similar to its strategic oil reserve, stoking the enthusiasm of crypto bulls.

Bitcoin, the world's biggest and best known cryptocurrency, hit a high of \$106,533 and last traded up 2.6 percent at \$103,917 at 12:15 GMT. Smaller crypto ether was up 0.4 percent at \$3,918.

"We're in blue sky territory here," said Tony Sycamore, an analyst at IG. "The next figure the market will be looking for is \$110,000. The pullback that a lot of people were waiting for just didn't happen, because now we've got this news."

Governments around the world held 2.2 percent of bitcoin's total supply as of July

Investor sentiment also got a lift from the inclusion of MicroStrategy into the tech-heavy Nasdaq 100 index that will likely lead to more inflows for the software firm turned bitcoin buyer.

Bitcoin and crypto have been catapulted into the spotlight as investors wager the incoming Trump administration will usher in a friendlier regulatory environment, boosting sentiment around the alternate currency. Bitcoin is up 192 percent for the year.

"We're gonna do something great with crypto because we don't want China or anybody else – not just China but others are embracing it – and we want to be the head," Trump told CNBC, opens new tab late last week.

When asked if he plans to build a crypto reserve similar to oil reserves, Trump said: "Yeah, I think so." Governments around the world held 2.2 percent of bitcoin's total supply as of July, according to data provider CoinGecko, opens new tab, with the United States possessing nearly 200,000 bitcoins valued at more than \$20 billion at current levels.

China, the UK, Bhutan and El Salvador are the other countries with a significant amount of bitcoins, data site BitcoinTreasures, opens new tab showed.

Election to boost business confidence

FROM PAGE B1

said Faruque Hassan, a former president of the Bangladesh Garment Manufacturers and Exporters Association.

Abdul Hai Sarker, chairman of the Bangladesh Association of Banks, said the chief adviser's targeted timeline for elections allowed room to implement important reforms.

Sarker said it is generally accepted that businessmen are not critical of the timeline, adding that the move would restore confidence to businessmen.

"The law-and-order situation will have to be controlled gradually. These tasks will be easier for an elected government," Sarker said.

Mohammad Hatem, president of the Bangladesh Knitwear Manufacturers and Exporters Association, echoed Sarker's views.

"State affairs must be managed by an elected government," Hatem said.

However, staging the elections may require more time if reforms take longer to implement.

"I want to say: first reforms, then elections," Hatem told The Daily Star, adding that reforms were ignored during the past government's 15-year tenure.

Kamran T Rahman, president of the Metropolitan Chamber of Commerce and Industry, said businessmen want and expect the interim government to organise free and fair elections.

Mohammed Amirul Haque, managing director and chief executive officer of Premier Cement Mills, said the chief adviser's speech showed a way forward and was very

prudent.

"A stable government is very much needed through the people's mandate," Haque said.

The growth of the economy can be ensured by holding free and fair elections, he said, adding that people expect the interim government to stage free and fair elections.

Zaved Akhtar, president of the Foreign Investors' Chamber of Commerce & Industry, said a democratically elected government can foster a good business and investment environment in Bangladesh by implementing some reforms recommended by the interim government.

It also said it is looking forward to discernible improvements from the Bangladesh Investment Development Authority, National Board of Revenue and Bangladesh Bank in terms of policies, processes and services.

"We believe this can bear fruits for the long term and have a far-reaching impact on fostering a positive investment climate in Bangladesh," he said, adding that longer-term investment and trade policies would also bolster business confidence.

Syed Mahbubur Rahman, a former chairman of the Association of Bankers, Bangladesh, said that it is difficult for an interim government to implement many reforms.

"Entrepreneurs may wait and see how the elections are going to be held. Afterwards, they may invest. The country's economy is going through a rough patch. The year 2025 is going to be a difficult year in terms of the economic situation," he said.

"The projected amount of

revenue may not be collected, so the government will go to banks to borrow. Gross domestic product growth may also slow, so money flow to the banking sector may shrink. This may create a liquidity pressure in the banking sector."

Mustafizur Rahman, a distinguished fellow at the Centre for Policy Dialogue, said economic uncertainty will be removed through fair elections while creating a sense of positivity.

"At the same time, the continuation of reforms is similarly important. It is expected that the next elected government will continue the reforms and implement those sincerely."

It is also expected that the political leaders will come to an agreement on the durability and certainty of reform activities, the economist also said.

"Otherwise, the establishment of good governance and transformation to democracy to create an inclusive society and free media might not be possible. The government will have to ensure the sustainability of the reforms," he added.

It is good that the chief adviser set a timeframe, he said, reasoning that it would give political parties the time to reach a consensus on different issues.

Mohammad Abdur Razzaque, chairman of Research and Policy Integration for Development (RAPID), said major economic challenges continue to persist despite the interim government's measures.

"Vital reforms should be implemented on a priority basis and the next elected government should continue the reforms."

A democratic transition is very important, he said, adding that a fair voter list is also important.

Non-leather footwear

FROM PAGE B1

However, he added that top global brands like Nike and Adidas have not ventured into Bangladesh because manufacturers fail to maintain lead times.

Mohammad Shahadat Ullah, executive director of Maf Shoes, which exports to France and Germany, said, "Our exports have increased compared to last year as buyers are placing more orders."

Maf Shoes, a sister concern of TK Group, has a daily production capacity of over 50,000 pairs of shoes.

Kamruzzaman Kamal, marketing director of industrial conglomerate PRAN-RFL Group, said RFL began exporting non-leather footwear products in 2021. Currently, RFL footwear products are shipped to 37 countries.

"Given the huge global demand and potential for rapid growth, this sector can quickly emerge as a major export earner," he added.

BOTTLENECKS NEED TO BE REMOVED

Nasir Khan, chairman and managing director of Jennys Shoes, said Chinese companies are now lining up to invest in Bangladesh to avoid high tariffs in the US market.

"However, we are confused about our ability to seize this business opportunity

due to the non-cooperation of customs officials," Khan alleged.

He said local manufacturers must now spend at least three and a half months to negotiate and secure an export order.

Khan claimed that despite the bright future of both leather and non-leather footwear, exports have been limited to \$1 billion over the past two decades due to the non-cooperation of customs officials.

"The customs authorities receive, at best, Tk 50 crore in import duty from leather product manufacturers annually. Manufacturers must bring raw materials into bonded warehouses," he said.

But, if the National Board of Revenue (NBR) reduces the duty to a minimum and allows the import of raw materials without the bonded warehouse condition, government revenue could increase manifold, he added.

MA Razzaque, chairman of Research and Policy Integration for Development (RAPID), said local leather footwear exports are struggling to grow due to the non-compliance of the tannery estate in Savar.

In contrast, he said, the synthetic footwear industry does not have such compliance requirements, leading to increased exports.

Inflation

FROM PAGE B1

He informed that overall exports amounted to \$16.11 billion during the July-November period of this year, which was at \$14.34 billion in the same period last year.

Foreign currency reserves have climbed to \$19 billion and these show that the economy is beginning to recover, and the situation is improving, said Yunus.

Regarding wages of garment workers, Yunus said that they were the backbone of Bangladesh's economy and would see a 9 percent increase in their annual wages from next month.

This decision was taken considering inflation and through discussions with labour unions and employers, he added.

"We inherited a devastated economy from the previous fascist government, with our foreign reserves hitting rock bottom," he said. "Beyond organising and reforming elections, you have entrusted us with numerous responsibilities, including economic recovery and improving people's living standards," he added.



গণপ্রজাতন্ত্রী বাংলাদেশ সরকার

বাংলাদেশ পুলিশ
কমান্ড্যান্ট এর কার্যালয়
পিএসটিএস, বেতুনিয়া
রাসমাটি



উন্মুক্ত দরপত্র বিজ্ঞপ্তি (OTM)

স্মারক নং-(পিএসটিএস)/৩২৯৫ তারিখ ১৫/১২/২০২৪খ্রিঃ

২০২৪-২০২৫ অর্থ বছরে পুলিশ স্পেশাল ট্রেনিং স্কুল (পিএসটিএস), বেতুনিয়া, রাসমাটির নিম্নলিখিত 'লট' ভিত্তিক কাজের ঠিকাদার নিয়োগের নিমিত্তে 'পাবলিক প্রকিউরমেন্ট আইন, ২০০৬ ও পাবলিক প্রকিউরমেন্ট বিধিমালা, ২০০৮' এর সংশোধনী বিধি মোতাবেক প্রকৃত বাংলাদেশী, অভিজ্ঞতাসম্পন্ন ব্যবসায়ী/ঠিকাদার/উৎপাদনকারী প্রতিষ্ঠান/সরবরাহকারী প্রতিষ্ঠানের নিকট হতে নিম্নলিখিত শর্ত সাপেক্ষে সীলমোহেরকৃত খামে প্রতিযোগিতামূলক দরপত্র আহ্বান করা যাচ্ছে।

০১।	সম্রাটালয়/বিভাগ	সরঞ্জি সম্রাটালয়/ পুলিশ বিভাগ।	
০২।	সহকারী	বাংলাদেশ পুলিশ।	
০৩।	দরপত্র আহ্বানকারী স্বত্বাধিকারীর নাম	কমান্ড্যান্ট (অতিরিক্ত আইজি), পিএসটিএস, বেতুনিয়া, রাসমাটি।	
০৪।	ক্রি কারপের দরপত্র আহ্বান	ক্রমিক নং-১৯ এ বর্ণিত লট ভিত্তিক।	
০৫।	দরপত্রের সূত্র নম্বর ও তারিখ	পিএসটিএস স্মারক নং-৩২৯৫ তারিখ ১৫/১২/২০২৪খ্রিঃ।	
০৬।	দরপত্রের পদ্ধতি	উন্মুক্ত দরপত্র পদ্ধতি (OTM)।	
০৭।	বাজেট ও অর্থনৈতিক কোড	অর্থনৈতিক কোড-৩২৫৪১০২ খাদ্যদ্রব্য বাত।	
০৮।	দরপত্র বিজ্ঞপ্তি প্রকাশের শেষ তারিখ	১৮/১২/২০২৪খ্রিঃ।	
০৯।	দরপত্র সিডিউল সর্বশেষ প্রারম্ভের তারিখ	০২/০২/২০২৫খ্রিঃ বেলা ১২.০০ ঘটিকা পর্যন্ত।	
১০।	দরপত্র জমা-কেন্দ্রের সর্বশেষ তারিখ ও সময়	০৫/০২/২০২৫খ্রিঃ বেলা ১২.০০ ঘটিকা।	
১১।	দরপত্র বাজ় খোলার তারিখ ও সময়	০৫/০২/২০২৫খ্রিঃ বেলা ১২.০০ ঘটিকা।	
১২।	দরপত্র সম্পাদনকারী অফিস ও ঠিকানা	কমান্ড্যান্ট এর কার্যালয়, পিএসটিএস, বেতুনিয়া, রাসমাটি।	
১৩।	দরপত্র তফসিল প্রারম্ভের স্থান	(১) অতিরিক্ত আইজি, এপিবিএন হেডকোয়ার্টার্স, বাংলাদেশ পুলিশ, ঢাকার কার্যালয়। (২) কমান্ড্যান্ট এর কার্যালয়, পিএসটিএস, বেতুনিয়া, রাসমাটি। (৩) পুলিশ সুপার এর কার্যালয়, রাসমাটি পার্শ্ব কোষ।	
১৪।	দরপত্র দাখিলের স্থান	কমান্ড্যান্ট এর কার্যালয়, পিএসটিএস, বেতুনিয়া, রাসমাটি।	
১৫।	দরপত্র খোলার স্থান	কমান্ড্যান্ট এর কার্যালয়, পিএসটিএস, বেতুনিয়া, রাসমাটি।	
১৬।	দরপত্র মূল্যায়নের তারিখ ও সময়	০৬/০২/২০২৫ খ্রিঃ বেলা ১৪.০০ ঘটিকা।	
১৭।	দরপত্র আহ্বানের যোগ্যতা	'পাবলিক প্রকিউরমেন্ট আইন, ২০০৬ ও পাবলিক প্রকিউরমেন্ট বিধিমালা, ২০০৮' এর সংশোধনী বিধি মোতাবেক যে কোন সরকারী সংস্থা/পুলিশ/এপিবিএন/সেনাবাহিনী/বিজিবি এ সংশ্লিষ্ট কাজের অভিজ্ঞতা এবং ১৮নং কলামে উল্লিখিত দলিলাদি।	
১৮।	দরপত্রের সাথে যে সকল কাগজপত্র জমা প্রদান করতে হবে এবং দরপত্র ক্রয়ের সময় প্রদর্শন করতে হবে	(১) হালনাগাদ খেব ট্রেড লাইসেন্স (২) হালনাগাদ আয়ের সার্টিফিকেট (৩) হালনাগাদ স্টাট রেজিস্ট্রেশন সার্টিফিকেট (৪) হালনাগাদ বাকের সলভেন্সি সার্টিফিকেট (৫) সংশ্লিষ্ট কাজের অভিজ্ঞতার সনদ (৬) জাতীয় পরিচয়পত্র (৭) দরপত্র আহ্বানের কার্ম/প্রতিষ্ঠান কাগজে তালিকাভুক্ত নয় মর্মে নিজ প্রতিষ্ঠানের প্যাতে প্রতিনিধিত্বকৃত মুদ্রাক (৮) প্রতিষ্ঠানের প্যাতে ০৩ (তিন)টি নমুনা স্বাক্ষর বাহা ১ম শ্রেণীর কর্মকর্তা কর্তৃক সত্যায়িত (৯) সদ্যাক্রমিত পাসপোর্ট সাইজের সত্যায়িত ০২ (দুই) কপি ছবি (১০) সংশ্লিষ্ট কাজ বাস্তবায়নে ঠিকাদারী লাইসেন্স (১১) অন্যান্য যোগ্যতা বাহা টেন্ডার ডকুমেন্ট/সিডিউলে উল্লিখিত আছে। দরপত্র ক্রয়ের সময় ০১নং হতে ০৮নং পর্যন্ত মূল কাগজপত্র প্রদর্শন করতে হবে।	

লট নং	লটের পরিচিতি	পরিমাণ/সংখ্যা	সিডিউলের মূল্য (অকরকরযোগ্য)	দরপত্র জমানত	কাজের সমসীমা
০১।	২০২৪-২০২৫ অর্থ বছরে ৩য় কোয়ার্টারের বিএসটিআই কর্তৃক অস্বাভাবিক ডিটাইমিং "এ" সমৃদ্ধ কোলেস্টারলমুক্ত সুপার রিফাইন্ড ভোলাক্সেল (সয়াবিন) সরবরাহ।	১,৫০০ লিটার (এক হাজার পাঁচশত)	৪০০/- (চারশত) টাকা	৭,৫০০/- (সাত হাজার পাঁচশত) টাকা	২০২৪-২০২৫ অর্থ বছরে ৩য় কোয়ার্টার (জানুয়ারি/২০২৫খ্রিঃ হতে মার্চ/২০২৫খ্রিঃ পর্যন্ত)
০২।	২০২৪-২০২৫ অর্থ বছরে ৩য় কোয়ার্টারের প্যাকেটকৃত ছোট দানার উল্লুভানের দেশী মতর ডাল (বহু পলিপ্যাকে প্যাকেটভুক্ত করে) সরবরাহ।	৭৫০ কেজি (সাতশত পঞ্চাশ)	৪০০/- (চারশত) টাকা	৩,০০০/- (তিন হাজার) টাকা	
০৩।	বেশন সেটের ব্যবহৃত পুরাতন চট ও প্রান্তিকের খালি বস্তা দিলামে বিক্রয়।	চটের বস্তা বড় - ২২০টি চটের বস্তা ছোট - ১১৪৫টি প্রান্তিকের বস্তা বড় - ৫৫০টি	৪০০/- (চারশত) টাকা	২,০০০/- (দুই হাজার) টাকা	কার্বোনেস গ্রানদের তারিখ হতে ১৫ (পনের) দিন

২০। দরপত্র আহ্বানকারী কর্মকর্তার নাম: ড. মোঃ আব্দুল সোবাহান পিপিএম

দরপত্র আহ্বানকারী কর্মকর্তার পদবী: কমান্ড্যান্ট (অতিরিক্ত আইজি)

দরপত্র আহ্বানকারী কর্মকর্তার ঠিকানা: পুলিশ স্পেশাল ট্রেনিং স্কুল (পিএসটিএস), বেতুনিয়া, রাসমাটি।

দরপত্র আহ্বানকারী কর্মকর্তার যোগাযোগের মাধ্যম: ই-মেইলঃ cmdpstsp@police.gov.bd

বিশেষ জ্ঞাতব্য:

ক) নির্দিষ্ট সময়ের পর আর কোন দরপত্র গ্রহণ করা হবে না।

খ) বডি বা প্রতিষ্ঠানের স্বত্বাধিকারীর সিলমোহেরকৃত খামে প্রকৃত বাংলাদেশী, অভিজ্ঞতাসম্পন্ন ব্যবসায়ী/ঠিকাদার/উৎপাদনকারী প্রতিষ্ঠান/সরবরাহকারী প্রতিষ্ঠানের নিকট হতে নিম্নলিখিত শর্ত সাপেক্ষে সীলমোহেরকৃত খামে প্রতিযোগিতামূলক দরপত্র আহ্বান করা যাচ্ছে।

গ) পুলিশ হেডকোয়ার্টার্স হতে অর্থ বরাদ্দ প্রাপ্তি সাপেক্ষে বিল পরিশোধ করা হবে। এতদসম্বন্ধে কোন আপত্তি গ্রহণযোগ্য হবে না।

ঘ) দরপত্র উন্মুক্ত হতে কোন আইটেম এর পরিমাণ বৃদ্ধি অথবা কমানোর বিষয়ে কর্তৃপক্ষের ক্ষমতা রয়েছে।

ঙ) সর্বশেষ দরদাতার দর গ্রহণে কর্তৃপক্ষ বাধ্য নয়।

চ) দরপত্র আহ্বানকারী কর্তৃপক্ষ যে কোন সময় কার্য পর্যালোচনা বাস্তব দরপত্র বাস্তবের ক্ষমতা রাখেন/সরবরাহ করেন।

জ) দরপত্র খোলার তারিখে যদি সরকারী ছুটি/বন্ধ ঘোষণা করা হয় তাহলে পরবর্তী কার্যদিনে একই স্থান ও সময়ে দরপত্র বস্তা খোলা হবে।


 ড. মোঃ আব্দুল সোবাহান পিপিএম
 বিপি নং-৭০০১০২০৮৬৫
 কমান্ড্যান্ট (অতিরিক্ত আইজি)
 পিএসটিএস, বেতুনিয়া
 রাসমাটি
 E-mail: cmdpstsp@police.gov.bd

জিডি-১১৯৮

Farmers warned of rain on Dec 20-22

STAR BUSINESS REPORT

The Bangladesh Agro-Meteorological Information Service (BAMIS) has suggested farmers in Khulna, Barishal, Chattogram, Dhaka and Sylhet divisions to take measures to protect their in-field products as the areas could be hit by medium to heavy rainfall on December 20-22 this year.

The BAMIS also recommended farmers collect Aman paddy before and after the rainfall and remove additional water from the seed beds of Boro paddy along with other paddies, potatoes and lentils.

It also suggested farmers collect matured vegetables quickly and cover milk cows and calves with sacks during the mornings and evenings when it rains to protect them from Pneumonia.

The BAMIS made the recommendations by analysing the data produced by the Bangladesh Meteorological Department.

The agro-meteorological information service also said mustard could be affected by a fungal disease of Alternaria blight in the given condition, for which, if needed, insecticide should be applied.

Oil drops

REUTERS, Singapore

Oil futures eased from their highest levels in weeks as traders took profit while waiting for a Federal Reserve meeting later this week for clues on further rate cuts.

Falls were limited, however, by concerns of supply disruptions in the event of more US sanctions on major suppliers Russia and Iran.

Brent crude futures fell 29 cents, or 0.4 percent, to \$74.20 a barrel by 0746 GMT after settling at their highest level since November 22 on Friday.

US West Texas Intermediate crude dropped 36 cents, or 0.5 percent, to \$70.93 a barrel after reaching its highest settlement level since Nov. 7 in the previous session.

Made in Bangladesh foods tied to diasporas

Limited to typical offerings and low interest in new markets

SUKANTA HALDER

Bangladesh has been exporting agro-processed foods for over three decades, but the sector has not grown much and still remains highly concentrated within a few countries where Bangladeshi diasporas are the primary buyers.

Exporters say that food habits and cultural preferences play a key role in food export. They also admit the sector's failure to introduce new items in the export basket, altogether resulting in the stalling of market expansion.

According to Bangladesh Agro-Processors Association (BAPA), the major buyers of Bangladeshi agro-processed foods are the United Arab Emirates, Saudi Arabia, India, the UK, the US, Malaysia, the Philippines, Singapore, Canada, Oman, Qatar, and the Netherlands.

In these countries, Bangladeshi expatriates, as well as Indian and Pakistani citizens, form the primary consumer base for products like spices, dry foods, snacks, puffed rice, fruit juices, noodles, parathas, candy, curry powder and mustard oil.

The BAPA says that 75 percent of the country's processed food exports over the past five fiscal years were concentrated within just 13 countries.

In fiscal year 2023-24, Bangladesh exported \$341.73 million worth of agro-processed foods to 100 countries, down from \$383.26 million to 103 countries in the previous year.

The UAE accounted for 25.06 percent of the market share, followed by Saudi Arabia (15.54 percent), the UK (6.88 percent), the US (6.36 percent) and Malaysia (4.34 percent).

PRAN-RFL Group, a leading food processor and exporter, ships spices, juices, puffed rice, snacks, and confectionery items to 140-145 foreign markets.

Eleash Mridha, managing director of PRAN Group, said 80 percent of their exports are sold through small individual outlets, while the remaining 20 percent are distributed via superstores.

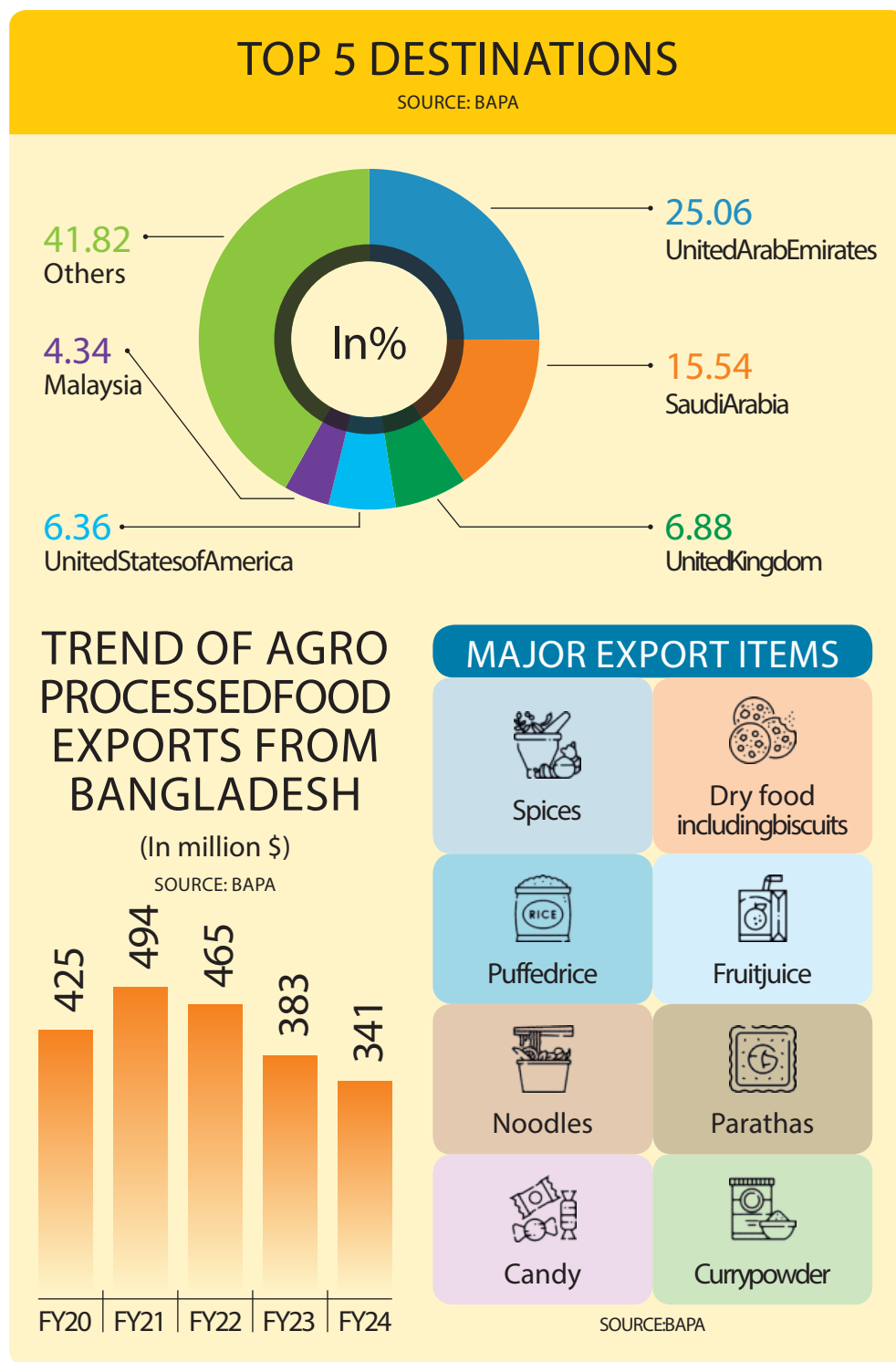
Mridha said Bangladesh's recent ban on aromatic rice exports and rising costs of sugar and flour have negatively impacted agro-export earnings.

However, he was hopeful about expanding the market to the countries in the Association of Southeast Asian Nations, taking advantage of low freight costs and similar food habits in countries like the Philippines, Thailand, Cambodia, and Vietnam.

"We are focusing on this and expect to improve our position in the next two to three years," he said.

However, Khurshid Ahmad Farhad, general manager for international business and corporate affairs of the Bombay Sweets and Company Limited, was critical of the capacity and sincerity towards market expansion by local players.

"Bangladesh doesn't produce any universal item that could give the country a competitive edge in the global food market," he told The



Daily Star.

"The foreign food market is highly dynamic, with rapid improvements in food packaging, machinery and research and development," said Farhad, adding that local exporters have so far shown little interest in keeping up with the fast-changing market.

Bombay Sweets ships 50 items to 41 countries, with the export basket mainly consisting of chips and a savoury snack called "Bombay mix" or "chanachur" in Bangla for the Middle Eastern market.

Parvez Saiful Islam, chief operating officer

of Square Food & Beverage Ltd, shared similar views about the highly competitive food market, mentioning that their primary exports include spices, mustard oil, "chanachur" and snacks.

"These products are popular among Bangladeshis but less so in other communities," he said.

Islam said aromatic rice once accounted for 23 percent to 25 percent of the total exports of the company. However, the export ban has largely impacted their performance.

READ MORE ON B2

US case against Adani strong but extradition unlikely

REUTERS, New York

The US fraud case against Indian billionaire Gautam Adani appears to be backed by documents that will help prosecutors make a strong case, legal experts said, but the tycoon is unlikely to be extradited to stand trial anytime soon.

Federal prosecutors in Brooklyn last month unsealed an indictment accusing Adani of bribing Indian officials to convince them to buy electricity produced by Adani Green Energy, a subsidiary of his Adani Group conglomerate, and then misleading US investors by providing reassuring information about the company's anti-corruption practices.

Adani, his nephew Sagar Adani, and another Adani Group executive were charged with securities fraud and conspiracy. Five people affiliated with Azure Power Global, a formerly-US-listed company also allegedly involved, were charged with conspiracy to violate the Foreign Corrupt Practices Act (FCPA).

Azure has said it had cooperated with the investigation and that those charged were no longer with the company. Adani Group has called the allegations "baseless" and vowed to seek "all possible legal recourse."

Gautam Adani is not in custody. He has made at least two public appearances in India since the indictment, including at a Dec. 9 event also attended by Prime Minister Narendra Modi.

According to the indictment, prosecutors found ledgers of the alleged payments on Sagar Adani's cellular phone, which they called "bribe notes." Prosecutors also said Gautam Adani emailed himself a copy of a search warrant and grand jury subpoena the FBI had served on his nephew on March 17, 2023.

Those electronic records could be important pieces of evidence for prosecutors to try to prove that Sagar Adani and Gautam Adani knew they misled investors by failing to disclose the investigation and insisting they had strong anti-corruption practices when in fact they had paid bribes, experts said.

"The allegations include references to corroborating material, and that always provides for a stronger case," said Stephen Reynolds, a former federal prosecutor and current partner at law firm Day Pitney.

To be sure, prosecutors may face challenges. Gautam Adani could argue that he was not personally involved in crafting the statements the company made to investors about its anti-bribery practices, said Paul Tuchmann, a former federal prosecutor in Brooklyn and now a partner at law firm Wiggan & Dana.

Prosecutors may also struggle to secure live testimony from witnesses in India because the process could require assistance from New Delhi, and the government may be reluctant to facilitate testimony that could paint Indian officials in an unfavorable light, said Mark Cohen, a former federal prosecutor in Brooklyn and current partner at law firm Cohen & Gresser.

India's foreign ministry on Friday referred to a Nov. 29 statement in which it said it had not received any request on the case from Washington, and called the case a matter between private firms and the US Justice Department. READ MORE ON B2

India sugar output to rebound to record next year, could revive exports

REUTERS, Solapur, India

India is likely to produce a record amount of sugar in the next marketing year from October after millions of farmers expanded cane cultivation, encouraged by ample water supplies and declining prices of competing crops, farmers and industry officials told Reuters.

The rebound in production would allow the world's second-largest sugar producer to resume exports in 2025/26, they said, after a lack of rain cut cane yields and led to two years of restrictions.

Indian exports could cap global sugar prices, traders said, by increasing supplies in the world market at a time when dry weather is widely expected to reduce shipments from top producer Brazil.

"Last year, we couldn't plant cane because water wasn't available for irrigation. This year, we have ample water since the rainfall was good," said farmer Amar Chavan, who planted cane across 2.4 hectares (6 acres) in the Solapur district of the western state of Maharashtra.

Solapur farmers depend on the Ujjani dam, which is at 100 percent of capacity, compared with just 25 percent last December.

Reservoirs in Maharashtra and neighbouring Karnataka, which together provide water for nearly half of India's sugar production, are holding much more water than in 2023, government data showed.

India's annual monsoon rains are crucial in determining the plantation area for the water-intensive sugarcane crop. This year, cane-growing regions of Maharashtra and Karnataka received up to 39 percent more rain than average.

"Farmers are planting sugarcane in full swing. This planting activity is setting the stage for a record-breaking sugar harvest next season," said Prakash Naiknavare, managing director of the National Federation of Cooperative Sugar Factories.

India's sugar production to fall below local consumption in 2024/25 as farmers reduced area.

He noted that the cane planted this year will be ready for harvest in the next marketing year.

The country's sugar production in the current season is set to fall to 28 million metric tons, down from 31.9 million tons in the last year.

READ MORE ON B2

US-China tech war will hold Asian allies hostage

REUTERS, Hong Kong

China will turn Washington's technology weapons on its Asian neighbours in 2025. US curbs on imports of semiconductors and other goods have hobbled advances in artificial intelligence in the world's second-largest economy. The People's Republic is starting to retaliate. Its leverage over corporate giants in Japan and South Korea makes them prime hostage targets.

In 2022, outgoing US President Joe Biden introduced sweeping measures to block China's access to cutting-edge chips and chipmaking technology. Since then, Washington has expanded the controls to cover a broader array of equipment and materials, including machines and tools made by Dutch giant ASML and Japan's Tokyo Electron. In December, the Biden administration added more than 100 Chinese entities to its trade restriction list as part of its new package of controls.

Beijing holds far more leverage over US allies in Asia. A Japanese government white paper found that the country relies on China for nearly a third of its imports, compared to 13 percent for the United States

The tightening restrictions have prompted Beijing to respond. In mid-2023, the government started requiring export licences for gallium, germanium, graphite and antimony - materials vital for making batteries, semiconductors, fibre optics and weapons. But a closer look at the trade flows did not show Chinese authorities systematically denied export licences, according to Cory Combs, a researcher from analysis firm Trivium



An employee works at a semiconductor chip factory in Binzhou, in eastern China's Shandong province.

PHOTO: AFP/FILE

China. That is about to change. In response to Washington's latest controls, the Chinese government announced an outright ban on some of these materials being exported to the United States - its strongest tit-for-tat measure yet.

Further retaliation is likely as China falls further behind in AI. Local technology giants like Tencent and Baidu are running down their stockpiles of now-banned Nvidia chips and will have no choice but to turn to domestic alternatives to train their AI models. But the latest chip designed by local semiconductor darling Huawei, the country's best answer to Nvidia's coveted graphics processing units, is three generations behind the \$3.3 trillion US market leader, Bloomberg reported.

Against this backdrop, Beijing has been quietly laying the groundwork to weaponise its near monopoly on rare earths and critical minerals. In June, the government unveiled a raft of regulations

aimed at protecting the country's rare earth supplies; these rules cover mining, smelting and trading and establish state ownership of rare earths resources.

The latest export ban from China's Ministry of Commerce follows an overhaul of existing rules. Whereas past curbs on gallium and germanium have been piecemeal, the new unified regime grants stricter government oversight on technologies and goods that can be used for civilian and military purposes. Businesses selling certain types of graphite, used in electric vehicle batteries, must first disclose details about their overseas customers and the end use of the materials. Taking a page out of Washington's sanctions playbook, China will also have a "control list" of foreign companies which are subject to extra restrictions and licences.

Yet targeting American firms like Micron Technology or Tesla at a time when

the struggling Chinese economy needs trading partners, foreign investment and tech know-how could be self-defeating. In 2023, Chinese infrastructure companies were banned from buying certain memory chips from Micron. Even so, a year later, the Idaho-based firm's ties to China have strengthened, with Chief Executive Sanjay Mehrotra meeting with the Minister of Commerce and breaking ground on a new factory in the country in 2024. Meanwhile, carmaker Tesla's China sales are on track to grow by 14 percent to \$23 billion in 2025, per Visible Alpha forecasts.

Instead, Beijing holds far more leverage over US allies in Asia. A Japanese government white paper found that the country relies on China for nearly a third of its imports, compared to 13 percent for the United States. These goods range from machinery to organic chemicals to electrical equipment. And despite official efforts to diversify supply chains away from China, a separate study found South Korea's dependence on the People's Republic for five out of six raw materials necessary for chipmaking actually increased in 2023.

That puts Tokyo and Seoul's corporate champions in a vulnerable position. Toyota has privately voiced concerns that China would cut off the \$220 billion carmaker's access to critical minerals, Bloomberg reported in September, citing sources. In addition to supply chains, it also has factories on the mainland. South Korea's memory chip giants SK Hynix and Samsung Electronics, as well as battery specialists LG Chem and SK On, are in a similar boat.

Just a threat of export controls might be sufficient for those countries to think twice about joining the tech war against China. Beijing has plenty of weapons to fight back. In 2025 it will train them on US allies.