

Star BUSINESS



Reforms may cause short-term economic slowdown: BB

STAR BUSINESS REPORT

Economic activities may slow down in the near term as the government has opted to initiate massive economic reform measures, the Bangladesh Bank (BB) said yesterday.

The reforms will eventually benefit the economy in the medium and long run, it said in its July-September issue of Bangladesh Bank Quarterly, a publication of the central bank.

This comes two days after the World Bank projected that Bangladesh's economy may grow by 4.1 percent in the fiscal year 2024-25 due to subdued investment and industrial activity amid heightened political uncertainty.

In its quarterly publication, the central bank said that Bangladesh's economy is going through a transitional phase with the formation of the interim government, while a gradual return to economic normalcy has already started.

The reforms will eventually benefit the economy in the medium and long run, the central bank said

The BB said the economy experienced significant disruptions across all three major sectors—agriculture, industry, and services—following the uprising in July and August last year.

Moreover, when the interim government started its journey with greater commitments towards economic reforms, economic activities were affected by repeated floods in many districts during August and September 2024.

Nonetheless, rebounding external demand, reflected in robust export growth and hefty remittance inflows during the July-September period of fiscal year 2024-25, depicted a promising momentum towards growth performance in the coming quarters.

The BB said inflation rose to 9.92 percent in the first quarter of FY25, up from 9.72 percent in the last quarter of FY24.

Inflation surged to a record high of 11.66 percent in July 2024 before softening in the subsequent two months.

"The July spike, the highest in 13 years, was primarily attributed to supply chain disruptions from the nationwide student uprising," said the central bank.

The BB said rising food inflation was the main driver of headline inflation in the first quarter of FY25.

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IMF defers loan proposal by five days

STAR BUSINESS REPORT

The proposal to release \$645 million, the fourth tranche of a \$4.7 billion loan programme for Bangladesh, was due to go before the International Monetary Fund (IMF) Executive Board on February 5.

But this has now been pushed back by five days to February 10, a senior finance ministry official confirmed The Daily Star yesterday. However, the date was deferred due to internal procedures, said the official.

Earlier, Chris Papageorgiou, who led an IMF delegation to Bangladesh between December 3-18 last year, had said that the proposal would be submitted on February 5.

"The IMF's Executive Board will consider the completion of the review based on the implementation by the authorities of prior actions," the IMF said in a statement after the visit.

One of the major conditions for the release of the fourth tranche was revenue mobilisation to increase the country's tax-to-GDP ratio — one of the lowest globally.

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Only 45% of foreign investments qualify as actual FDI: Bida

STAR BUSINESS REPORT

Just 45 percent of all foreign investments in Bangladesh qualify as actual foreign direct investments (FDI), while the rest is either intercompany loans or reinvestments, according to a report by the Bangladesh Investment Development Authority (Bida).

The FDI inflow has remained stagnant in recent years, contributing a mere 0.5 percent of the country's gross domestic product (GDP), said the report released yesterday.

Styled as "The FDI Heatmap", it also highlighted the significant lack of structured investment promotion campaigns for domestic industries.

Furthermore, it said industry experts in various sectors emphasised the need for better strategic alignment between public and private initiatives.

Additionally, they urged the prioritisation of industrial development and targeted interventions by the government to unlock the country's true potential in receiving FDI, it added.

"The FDI Heatmap is more than a plan; it is the blueprint for all our future touchpoints with investors," said Bida Executive Chairman Ashik Chowdhury.

"Every roadshow we plan, bilateral investment treaty we negotiate, or policy support we provide will follow this data-driven analysis from experts," he added in a press release on the report.

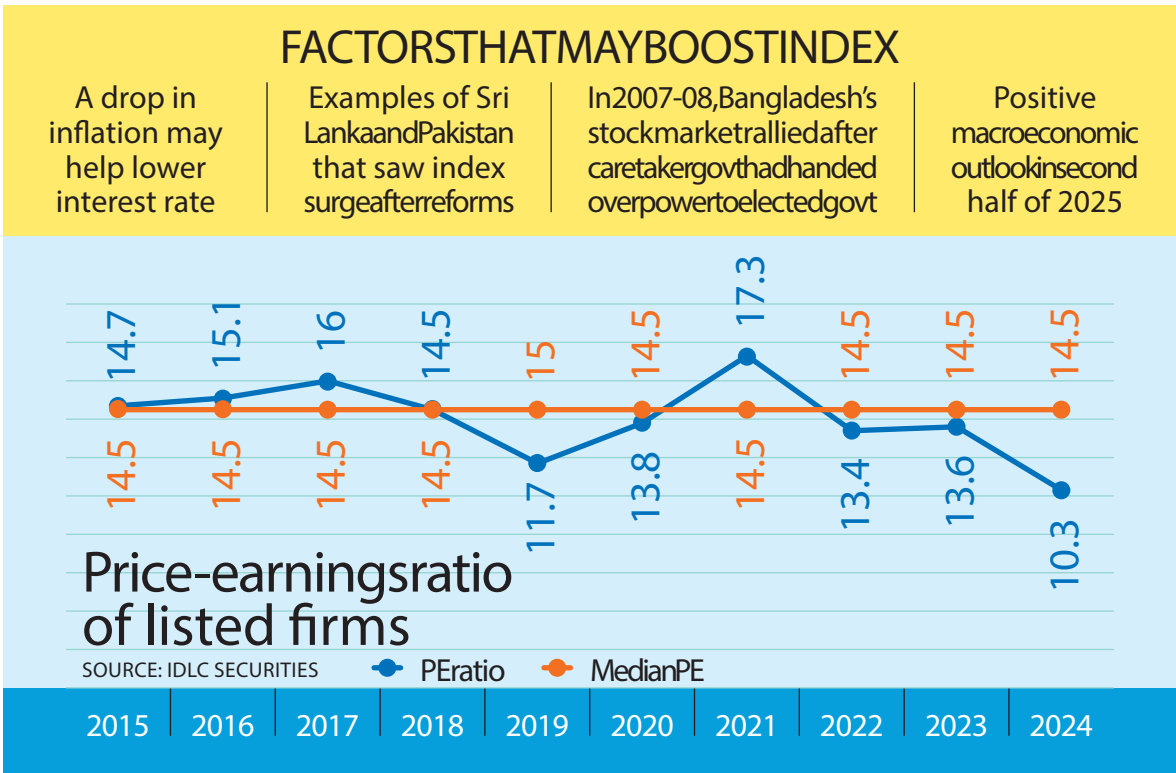
Nahian Rahman Rochi, head of business development at Bida, said FDI contributions to Bangladesh's GDP are far below the global average of 3-4 percent despite the country's strong economic fundamentals.

"The FDI Heatmap aims to reverse this trend by leveraging a structured approach to prioritise industrial sectors, identify high-potential investor markets, and align investment strategies with national goals," he added.

In essence, Bida underscored the urgent need for a robust framework to attract quality investments that align with national priorities.

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Stocks at record lows, rebound expected later this year



AHSAN HABIB

The Dhaka Stock Exchange (DSE) has reached a point where its shares are record cheap due to the recent macroeconomic turbulence and higher interest rates, which have diverted investments away from securities, according to leading stockbroker IDLC Securities.

The stock market index may rise once the inflation rate declines and interest rates in the banking sector drop—a path both Sri Lanka and Pakistan Stock Exchanges took.

In its 2025 outlook titled "Are Ripples of Reform Priced In?", IDLC Securities forecast that the rebound could occur in the second half of this year.

The brokerage firm showed that the price-to-earnings (P/E) ratio of stocks on the DSE stood at 10.3 at the end of the recently concluded 2024—the lowest in at least the past 10 years.

"This is extremely low," said Tanay Kumar Roy, head of Equity Research at IDLC Securities.

The figure of 10.3 is also below the median P/E ratio of 14.5.

The price-to-earnings ratio is the proportion of a company's share price to its earnings per share.

A high ratio may indicate that a company's stock is overvalued. Conversely, a low P/E ratio suggests that stock prices are undervalued compared to their earnings.

Even though stocks in the DSE are undervalued, Roy said that high interest rates in the banking sector are prompting institutional investors to rush to the money market.

He said the current business climate is making investors hesitant to invest in the stock market. "People do not want to invest during a period of reform, so they are adopting a wait-and-see approach."

Regarding the business performance of listed companies, he said that corporate earnings dropped by around 20 percent in the July-September period of last year due to political unrest and supply chain disruptions.

Even if corporate earnings continue to decline at this rate over the next three quarters, the stocks would not be overvalued, as the P/E ratio would still be around 12, he added.

From an investor's perspective, a lower P/E may sound like a suitable investment option.

However, Saiful Islam, president of the DSE Brokers Association, said a lower P/E ratio alone would not attract investors.

"Building investor confidence, alongside improved macroeconomic conditions, is important for the market," he added.

To improve investor confidence, Islam said visible progress in governance, surveillance, monitoring, and enforcement is

important to bring it up to at least a regional standard.

He suggested that doubling the number of investable stocks is necessary for meaningful growth in the stock market.

On a positive note, Islam mentioned that financial discipline has begun to return, and the erosion of asset quality has stopped.

IDLC Securities projected that macroeconomic indicators will start to improve in the coming months.

It said that Bangladesh's exports have recently recorded double-digit growth, despite labour unrest in the RMG sector, political changeover, and economic hurdles in major markets such as the US, China, the UK, and the EU.

"Exports are expected to benefit from tailwinds as inflation and interest rates ease in export destinations. The European Central Bank (ECB) has cut rates from 4 percent to 3 percent, while the US has reduced short-term rates to a range of 4.25 percent to 4.50 percent from the previous 5.25 percent to 5.5 percent."

Besides, double-digit growth in remittances has continued, said the brokerage firm.

IDLC Securities believes the political changeover has likely curbed the creation of black money and wealth transfer, leading to

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Beximco workers want jobs back

Govt to take a decision on 16 factories today

REFAYET ULLAH MIRDHA

The 40,000 laid-off workers and officials of the 16 textile and garment units of Beximco Group want the factories to remain operational so that they can be reinstated.

The government is preparing to sell these units, as the group is bogged down by a huge amount of default loans. On top of this, uncertainty remains over whether the workers will receive their service benefits.

The group's management body went ahead with the layoffs, citing low inflow of work orders from international clothing retailers and brands, after the ouster of the Sheikh Hasina-led government on August 5 last year.

The conglomerate subsequently landed in hot water. Its vice-chairman, Salman F Rahman, who is now behind bars, was an influential adviser to the deposed prime minister Sheikh Hasina.

Rahman is accused of weaponising his political influence for personal business gain. After the fall of the Awami League, a series of financial irregularities involving Rahman and his business empire came to light.

Recent Bangladesh Bank data showed that Beximco Group owed nearly Tk 50,000 crore in bank loans as of November 2024, with more than half of the amount becoming non-performing.

However, the management is eager to keep the factories operational.

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Power producers call for clearing dues citing forex losses

STAR BUSINESS REPORT

Private power producers have urged the Bangladesh Bank for a solution to recover losses stemming from delayed payments by the Bangladesh Power Development Board (PDB).

Members of the Bangladesh Independent Power Producers Association (BIPPA) made this request at a meeting with Ahsan H Mansur, governor of the central bank, at his office in Dhaka yesterday.

The BIPPA members, comprising mostly owners of liquid fuel-based power plants, told Mansur that they incurred combined losses of Tk 8,500 crore due to delayed payments by the PDB following the start of currency fluctuations.

The exchange rate between the taka and the US dollar has been repeatedly revised since August 2021, with the local currency depreciating by more than 30 percent.

"The governor told us they will closely monitor the exchange rate with commercial banks in the future," BIPPA President David Hasanat told The Daily Star.

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Drugmakers hiring cross-discipline grads amid biomedicine expansion

JAGARAN CHAKMA

Bangladesh's pharmaceutical industry is undergoing a significant transformation, driven by young talent and innovation, according to pharmaceutical professionals.

The industry is shifting from chemical-based medicines to biomedicines, offering fresh graduates unique opportunities to shape the country's future as a global contributor to the pharmaceutical sector, they said.

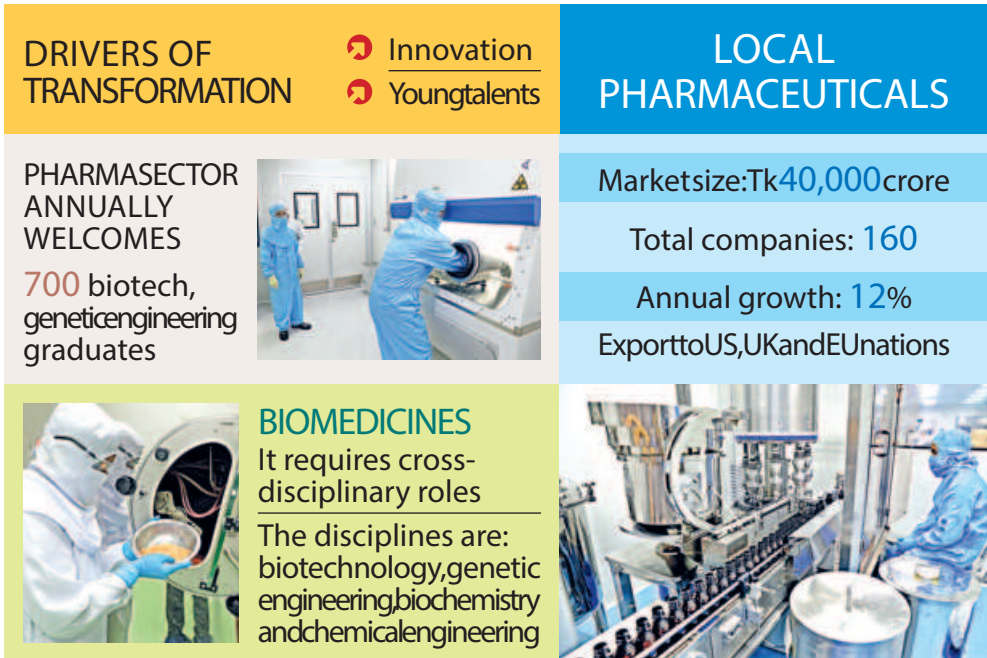
By fostering research, innovation, and cross-disciplinary roles, the pharmaceutical industry is creating meaningful employment for a generation eager to devote their talent, they stated.

The pharmacists also said the sector now embraces a diverse pool of talent from fields such as biotechnology, genetic engineering, biochemistry, and chemical engineering, challenging the long-held perception that pharmacy graduates dominate these roles.

For example, biochemists are finding opportunities in business development for regulated markets, while pharmacists are being trained to manage intellectual property for pharmaceutical innovations.

The shift toward advanced manufacturing and complex product formulation has further diversified career paths.

Roles such as quality assurance executives, regulatory affairs specialists, and analytical scientists have emerged to meet the demands of stringent global standards.



Several leading companies, including Square Pharmaceuticals PLC, Incepta Pharmaceuticals, Aristopharma, ACI HealthCare Ltd, Globe Biotech, Beacon Pharmaceuticals PLC, and Ziska Pharmaceuticals, are investing heavily in biologics, signalling significant growth in this area.

Biomedicine, which focuses on treatments

derived from biological sources, has become a central focus for these companies.

"There are vast opportunities for young graduates in pharmacy, biotechnology, biochemistry, and related disciplines," said M Mohibuz Zaman, managing director and chief executive director of ACI HealthCare Ltd.

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Jamuna Bank launches financial product ‘Short Note’

STAR BUSINESS DESK

Jamuna Bank PLC recently launched a new financial product, styled “Jamuna Bank Short Note”, at a function in Dhaka.

The product is a short-term, interest-bearing money market debt instrument with flexible maturity options of 91, 182, and 364 days.

It provides attractive interest rates tailored for different holding periods, ensuring optimal returns for investors while maintaining liquidity.

Robin Razon Sakhawat, chairman of the bank, inaugurated the product, according to a press release.

Commenting on the launch, Sakhawat said, “The introduction of the Jamuna Bank Short Note aligns with our vision of empowering our clients with secure, high-return investment opportunities while ensuring financial flexibility and growth.”

This innovative financial instrument aims to offer secure and flexible investment opportunities to individual, corporate, and NRB clients, he said.



Robin Razon Sakhawat, chairman of Jamuna Bank, poses for photographs during the launch of the new financial product, styled “Jamuna Bank Short Note,” at a function in Dhaka recently.

PHOTO: JAMUNA BANK

US to tighten trade rules to hit low-cost China shipments

AFP, Washington

The United States unveiled a new rule Friday to tighten an exemption allowing low-value imports to enter the country duty-free, taking aim at Chinese shipments that might be benefiting from it.

The proposal disqualifies certain products from the low-value, or “de minimis,” exemption, which allows goods valued at \$800 or below to come into the United States without paying duties or certain taxes.

“Both the volume and combined worth of low-value, or de minimis, shipments to the United States have risen significantly over the past ten years,” said Secretary of Homeland Security Alejandro Mayorkas in a statement.

He added that the exemption has “undermined American businesses and workers” while allowing foreign products to flood US ports of entry, making it harder to screen the goods for security risks.

“The actions announced today to tighten this exemption will strengthen America’s economic and national security,” he said.

The number of shipments claiming the exemption rose from about 139 million in fiscal year 2015 to more than a billion in 2023.

US officials have pointed to the growth of Chinese-founded online retailers Shein and Temu – known for selling items at low prices – as a key factor behind this increase.

National Economic Advisor Lael Brainard accused Chinese-founded e-commerce platforms of trying to “gain an unfair trade advantage” by using the rules.

With the new proposed rule, products subject to tariffs imposed under Section 301 of the Trade Act, for example, would not qualify for duty-free treatment under the de minimis exemption.

BDBL organises managers’ conference



Ahmed Ismet, chairman of Bangladesh Development Bank, attends the “Managers Conference-2025” at the bank’s head office in the capital on Saturday.

PHOTO: BANGLADESH DEVELOPMENT BANK

STAR BUSINESS DESK

Bangladesh Development Bank PLC (BDBL) organised the “Managers Conference-2025” at the bank’s head office in the capital on Saturday.

Ahmed Ismet, chairman of the bank, attended the conference as the chief guest, the bank said in a press release.

Md Jashim Uddin, managing director and CEO of the bank, presided over the meeting, where Md Abu Hanif Khan, KM Tariqul Islam and Md Abdul Mojib, directors of the lender, were present. Shachindra Nath Samadder, deputy managing director of the bank, along with managers and senior executives of the bank, was also present.

NRB Bank arranges annual business conference

STAR BUSINESS DESK

NRB Bank PLC arranged the “Annual Business Conference-2025” with the slogan “Horizon of Unlimited Possibilities” at the bank’s corporate head office in the capital’s Gulshan on Saturday.

Mohammed Mahtabur Rahman, chairman of the bank, attended the conference as the chief guest, the bank said in a press release.

Tarek Reaz Khan, managing director of the bank, presided over the event, where Golam Kabir, vice-chairman of the bank and chairman of the risk management committee, Mohammed Jahed Iqbal, chairman of the executive committee, Syed Rafiqul Haq, chairman of the audit committee, and Motior Rahman, Kazi Towhidul Alam, Abdul Halim Chowdhury, and Shah Mohammad Moinuddin, independent directors, were present.

During the conference, the bank’s performance over the past year was reviewed, and strategic action plans for achieving the 2025 targets were discussed and adopted.

Mohammed Jamil Iqbal, vice chairman of the bank; Bayzun Nahar Chowdhury, Ali Ahmed, and Khandokar Ruhul Amin, directors; and Md Shaheen Howlader, Md Ali Akbar Faraji, and Anwar Uddin, deputy managing directors; along with the senior management team and all branch managers and division or department heads, were also present.



Mohammed Mahtabur Rahman, chairman of NRB Bank, attends the “Annual Business Conference-2025” at the bank’s corporate head office in the capital’s Gulshan yesterday.

PHOTO: NRB BANK

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (JAN 19, 2024)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 70-Tk 84	4.05 ↑	12.41 ↑
Coarse rice (kg)	Tk 52-Tk 58	4.76 ↑	7.84 ↑
Loose flour (kg)	Tk 40-Tk 45	0	-10.53 ↓
Lentil (kg)	Tk 105-Tk 110	0	0
Soybean (litre)	Tk 165-Tk 170	2.13 ↑	6.35 ↑
Potato (kg)	Tk 30-Tk 40	-50.00 ↓	-22.22 ↓
Onion (kg)	Tk 50-Tk 65	-42.50 ↓	-23.33 ↓
Egg (4 pcs)	Tk 45-Tk 50	0	9.20 ↑
SOURCE: TCB			

Southeast Bank holds business policy and planning conference



MA Kashem, chairman of Southeast Bank, attends the daylong “Business Policy and Planning Conference-2025” at the InterContinental Dhaka on Saturday.

PHOTO: SOUTHEAST BANK

STAR BUSINESS DESK

Southeast Bank PLC organised the “Business Policy and Planning Conference-2025” for divisional heads, branch managers, along with heads of sub-branches and offshore banking units.

MA Kashem, chairman of the bank, attended the daylong conference as the chief guest, held at the InterContinental Dhaka on Saturday, according to a press release.

During the conference, Kashem emphasised that the unwavering dedication, sincerity, and love of all employees have enabled the bank

to achieve sustainable development despite numerous challenges.

He praised the contributions of the staff and called on them to continue working with love and dedication for the bank. The bank’s chairman expressed optimism that with collective effort, unity, and hard work, Southeast Bank would one day overcome all the challenges and establish itself as the leading bank in the country.

While presiding over the event, Nuruddin Md Sadeque Hossain, managing director, expressed gratitude to employees and customers for their steadfast support and loyalty as the bank approaches its

30th anniversary in 2025.

He highlighted 2025 as a year to solidify the bank’s position and drive growth by leveraging its three decades of experience.

Rehana Rahman, vice chairperson of the bank; Azim Uddin Ahmed, Jusna Ara Kashem, Duluma Ahmed, Md Akikur Rahman, and Nasir Uddin Ahmed, directors; Md Rafiqul Islam, representing Asia Insurance Limited; Mohammad Delwar Husain and M Moyeen Alam Firozee, independent directors; and Md Nurul Islam, representing Single Click IT Solution Private Limited, among others, participated in the conference.

কৃষি গবেষণা

বাংলাদেশ কৃষি গবেষণা ইনস্টিটিউট

ভূমি ও ইমারত শাখা

Bangladesh Agricultural Research Institute

Gazipur-1701

কৃষিই সমৃদ্ধি

Tel: 49270077

E-mail: se.building@bari.gov.bd

Web: www.bari.gov.bd

Memo no. 12.21.0000.010.41.468.20.981

Date: 16.01.2025

e-TENDER NOTICE

Tender is invited Through National e-GP System Portal (<http://www.eprocure.gov.bd>) for procurement of following works:

Sl no	Tender ID No.	Tendering Method	Description of works	Online (e-GP system) tender publication date & time	Online (e-GP system) tender closing date & time
1.	Re-Tender 1063624	OTM	Construction of vertical Extension of Research Security wall at RARS, BARI, Jamalpur.	15-Jan-2025 16:45	26-Jan-2025 12:00
2	1059070	OTM	(1) Construction of Research Security Wall and (2) Land Development at OFRD, BARI, Sylhet.	15-Jan-2025 16:55	06-Feb-2025 12:00

This is online tender, only e-Tender will be accepted in National e-GP Portal and no offline/hard copy will be accepted. Registration is essential to submit e-Tender.

Fees have to be deposited for downloading the tender documents from e-GP Portal through any registered bank. For further information please contact e-GP help desk (helpdesk@eprocure.gov.bd).

Name of Program: Program on Agricultural and Rural Transformation for Nutrition, Entrepreneurship and Resilience in Bangladesh (PARNER, P176374)-BARI Part

Engr. Md. Ferozur Rahman
Superintending Engineer (In-charge)

GD- 193

ESSENTIAL DRUGS COMPANY LIMITED

395-397, Tejgaon Industrial Area

Dhaka-1208

INTERNATIONAL TENDER NOTICE

EDCL invited Two Envelop System International Tender for Supply of Pharmaceutical Chemical Reference Substance(CRS) for Gopalganj Plant on C&F© Dhaka By Air and Chittagong by Sea Basis :-

S.L No.	Tender No. & Date	Name of the Items	Cost of Tender Schedule	Last date of Closing & Opening
01.	IMP/CRS/SEM/42/ 2024-2025 dated 19/01/2025	Supply for Chemical Reference Substance (CRS) for Gopalganj Plant : (List of items, Quantity & Specification as per schedule)	Tk. 750.00/set Equivalent to US\$ 6.00 Non-refundable	Closing : 18/02/2025 at 11.00 AM Opening: 18/02/2025 at 11.15 AM

Tender Schedule will be sold from the Accounts Department of Essential Drugs Company Limited, Dhaka on payment as stated above during office hours on all working days (except Friday, Saturday and Govt. Holidays).

No tender schedule will be sold on the opening date of the tender.

The tender will be accompanied by an amount of Earnest Money in the form of Bank Draft/Pay Order/Bank Guarantee from any Schedule Bank of Bangladesh in favour of “Essential Drugs Co.Ltd” without which the tender will be considered as non-responsive.

EDCL authority reserves the right to accept or reject any or all the tenders without assigning any reason whatsoever.

NB: This information is also available at our Website: www.edcl.gov.bd

(SIZE: 6 inch 4 Column)

General Manager
Procurement (CC)
For: Managing Director.

Stocks rebound after five-day decline

STAR BUSINESS REPORT

The indexes of the stock market in Bangladesh rebounded yesterday, snapping a five-day losing streak.

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), edged up by 11.15 points, or 0.22 percent, from the previous day to close at 5,145.

Similarly, the DSES, the index that represents the Shariah-based stocks, went up by 4.89 points, or 0.42 percent, to 1,155.

In the blue-chip segment, the DS30 index rose by 8.61 points, or 0.45 percent, to 1,902. Out of the 396 scrips, 172 saw a hike in prices, while 160 closed lower. The rest of the issues did not see any price movement.

The day's turnover, which measures the total value of share transactions on the DSE, stood at Tk 368 crore, an increase of 1.19 percent compared to the previous day's

trading session.

The pharmaceuticals sector dominated the turnover chart, accounting for 19.57 percent of the total.

In the individual category, ADN Telecom Limited emerged as the most-traded share, with a turnover of Tk 14.6 crore.

Sector-wise, general insurance, information technology, and life insurance were the top three sectors that closed in the positive, according to the day's market update by UCB Stock Brokerage.

However, the non-bank financial institutions (NBFIs), jute, and mutual funds became the top three sectors that closed in the negative.

In its market update, Shanta Securities noted that market movement was driven by positive changes in the market capitalisation of life insurance, paper and printing, and general insurance scrips amid negative

changes in the market capitalisation of travel and leisure, banking, and financial institution scrips.

Sectors with substantial market capitalisation showed mixed performances, as per the daily market update by BRAC EPL Stock Brokerage.

The telecommunication sector experienced the highest gain of 0.45 percent, followed by pharmaceuticals (0.43 percent) and engineering (0.21 percent).

However, the food & allied sector logged a loss of 0.08 percent, followed by the banking sector (0.39 percent), fuel & power (0.53 percent), and NBFIs (0.97 percent).

At the Chittagong Stock Exchange (CSE), the CSE All-Share Price Index (CASPI), the prime index of the port city bourse, saw a similar rising trend, as the index increased by 12.50 points, or 0.09 percent, to settle at 14,364.

Power Grid Bangladesh's revenue grows amid persistent losses

STAR BUSINESS REPORT

Power Grid Bangladesh, a government-owned company responsible for power transmission throughout the country, saw its revenue increase in the fiscal year 2023-24 despite persistent losses putting a dent in its earnings.

The company reported a revenue of Tk 2,785.56 crore in FY24, a 14 percent year-on-year increase.

Despite the revenue growth, the company incurred a net loss of Tk 457.46 crore, a significant improvement from the Tk 720.27 crore loss recorded in the previous year, according to its audited financial statements.

Shares of Power Grid Bangladesh fell 13 percent to Tk 34.3 during midday trading on the Dhaka Stock Exchange yesterday.

The company reported a loss per share of Tk 5.01 for FY24, down from a loss per share of Tk 10.11 in the prior year.

The company said in its audited financial statements that its total income rose by 12.52 percent, while total expenses

increased by 2 percent, reducing the net loss by Tk 262.80 crore.

Net operating cash flow per share (NOCFPS) improved slightly to Tk 12.86 for FY24, compared to Tk 12.32 in the previous year.

The increase was attributed to higher cash receipts from customers and reduced tax payments.

The board of the company recommended no dividend for FY24.

For the first quarter of FY25, the company posted a loss of Tk 256.53 crore.

As a result, the loss per share was recorded at Tk 2.81, compared to a loss per share of Tk 1.42 in the same quarter of the previous year, according to its unaudited company statements.

The company attributed higher expenses relative to income in driving the decline in earnings. NOCFPS for Q1 stood at Tk 5.74, up from Tk 4.74 (restated) in the same period last year.

The increase was attributed to higher cash inflows from customers and lower cash payments to suppliers, contractors, and employees.

Stocks at record

FROM PAGE B1

increased remittance inflows through formal channels.

With austerity measures on imports, rising exports, and steady remittance inflows, the current account deficit declined in early FY25 and is expected to remain low throughout FY25, the report said.

Although foreign debt repayment is expected to increase in the second half of fiscal year 2024-25, Bangladesh has foreign fund commitments amounting to \$4.9 billion, which it is expected to receive within the next one and a half years.

The recent depreciation of the local currency, coupled with the declining current account deficit, suggests that another significant currency depreciation is unlikely

under the current economic circumstances.

Going forward, depreciation is expected to align with the long-term average rate of 3.4 percent observed over the past 20 years.

"The declining trend in global inflation and interest rates, along with the increasing yield differential between Bangladesh and US Treasury instruments—currently at 7.46 percent—further supports such expectations."

Depending on crop seasons, the report suggested that inflation might ease in the second half of this year.

However, rice prices rose as the Aman crop was adversely affected by recent flooding. With the Boro harvest scheduled for April to June, rice prices are expected

to decline after the harvest.

Lower freight and commodity prices in the international market are also likely to help curb inflation.

IDLC Securities said that once inflation is brought under control, interest rates in the banking sector would also decline. The recent rise in interest rates was driven by multiple increases in the central bank's policy rate.

On Saturday, DSE Chairman Mominul Islam said at a press conference that the market would hopefully show improvement by June this year with different reform initiatives bearing fruit.

IDLC Securities also said that if reforms take place, the stock market index will get a boost, as was seen in Pakistan and Sri Lanka in recent years.

Beximco workers

FROM PAGE B1

They have been lobbying the government to sell a piece of the group's land in Narayanganj for approximately Tk 800 crore to restructure the bank loans, said a senior officer of the group.

However, top government officials are not approving the sale, said the officer, asking not to be named.

"These are not loss-making units, as almost all the internationally reputed clothing retailers and brands are their regular customers," said Shelat Ahmed, a merchandiser in the group's garment division.

Beximco used to export \$30 million worth of textile and garment items in a month prior to August 5 last year.

The merchandiser also said Beximco has been doing business with many reputed clothing retailers and brands for many years, and they are still interested in continuing the business.

"So, it is not true that the group's textile and garment factories lack work orders," he added.

The group's clients include all Inditex brands, such as Bershka, Zara-TRF, Zara-Women, Zara-Men, Pull & Bear-Men, Pull & Bear-Women, Lefties Ladies, Lefties-Kids, and Lefties-Men.

The list also includes C&A, PVH, Marks & Spencer, Michael Kors,

Bestseller, Lands' End, Target, American Eagle, Scotch & Soda, Hansae, Primark, Dub, Celio, SSTS (IOP TEN) Total, TJ Maxx, LPP SA, and R-Mixed Fzco.

Centric Brands Holdings LLC, Total World Co, Universal Music, Tank Stream Design, Itochu Muji, Ross Stores Inc, and Splash are also on the list, according to a document.

Ahmed said they were regularly holding meetings with the group's management to ensure the textile and garment units were reopened so that the workers could rejoin their workplaces soon.

However, the management is unsure whether the government will allow the reopening of the closed factories, he said.

Khalid Shahrior, head of human resources (HR) and compliance for the Textile and Garment Division of Beximco Group, said it was important to run the factories, regardless of who owns them.

"In the supply chain of the textile and garment division of the group, a few lakh people are involved, although the number of people directly employed is 40,000," he said.

The suppliers of raw materials, truck owners, transport owners, and even local landlords are also in trouble due to the layoff of workers and the closure of the units, he added.

READ FULL STORY ONLINE

Drugmakers hiring

FROM PAGE B1

"They can contribute across production, quality control, research, and marketing departments in pharmaceutical companies," he said.

Zaman added that expertise in pharmacy is essential across all fields of the pharmaceutical industry, noting, "The future for quality young pharmacists is bright, both at home and abroad."

By channelling their passion into industries like pharmaceuticals, Bangladesh can build a robust economy driven by innovation and self-reliance, he stated.

According to Zaman, as young Bangladeshis rise to meet these opportunities, the country is poised to become a global pharmaceutical powerhouse, showcasing the power of youth-led progress.

"Over the last 20 years, the pharmaceutical sector has grown tenfold, significantly expanding job opportunities for fresh graduates in pharmacy, biotechnology, and related disciplines," said Md Mizanur Rahman, general manager of Incepta Pharmaceuticals.

However, two decades

ago, pharmacy and related fields were not widely pursued due to limited opportunities, he noted.

Rahman explained that these disciplines have now become a top choice for students, driven by the sector's immense growth and demand for skilled professionals.

This surge in the pharmaceutical market has created diverse career paths for fresh graduates, spanning supply chain management, regulatory affairs, technical services, marketing, and training within pharmaceutical companies.

He emphasised that as the market continues to expand, so does the need for trained professionals to support the industry's dynamic growth.

The evolving landscape offers young professionals an exciting platform to thrive and contribute to one of Bangladesh's most promising sectors, he said.

"Local pharmaceutical companies in Bangladesh are progressively transitioning from chemical medicines to biomedicines," said Md Abu Zafar Sadek, deputy general manager at UniMed UniHealth

Pharmaceuticals Ltd.

This shift is creating opportunities for fresh graduates specialising in biotechnology and genetic engineering to make valuable contributions to the pharmaceutical sector, he said.

READ FULL STORY ONLINE

IMF defers

FROM PAGE B1

Another condition was reducing tax exemptions and unifying the rates of value-added tax (VAT).

On January 9, the National Board of Revenue (NBR) increased VAT and supplementary duty (SD) on nearly 100 goods and services.

The VAT was raised to 15 percent, up from as low as 5 percent. The VAT rate hike on certain products and services drew a lot of criticism from businesspeople and economists.

Afterwards, Finance Adviser Salehuddin Ahmed told journalists that they were reviewing the VAT rate on some products and services and might withdraw the new VAT rate on them.

The finance ministry is also negotiating with the IMF and will withdraw the new VAT rate on some products, the finance ministry official added.

Power producers

FROM PAGE B1

He said the central bank governor was very cordial and assured them that he would convey their message to senior government officials.

BIPPA has long been pushing the government to clear at least half of its overdue payments, amounting to Tk 9,000 crore, as soon as possible.

They wrote to the Ministry of Power, Energy and Mineral Resources on January 9, requesting that the payments be cleared within 10 days to ensure uninterrupted power supply during Ramadan.

Hasanat said that the unpaid dues are preventing local power producers from

importing the furnace oil needed to generate electricity.

"If we don't get at least half of our payments, we will not be able to open letters of credit to import furnace oil in due time to generate adequate power during Ramadan," he added.

In its letter, BIPPA mentioned the significant financial losses being caused by the taka's devaluation.

Besides, the foreign exchange losses of independent power producers were compounded by delayed interest payments.

"These losses have eroded financial confidence among

lenders," it said.

Hasanat provided an example of how delayed payments exacerbate foreign exchange losses.

"When we submitted bills [for electricity or fuel imports], the exchange rate was Tk 118. But by the time we received payments, it had risen to Tk 126," he said.

The PDB is obligated under its power purchase agreements to clear payments within 45 days.

However, payments are being delayed for more than five months at a time, with the resulting backlog having persisted for more than three years now.

READ FULL STORY ONLINE

Reforms may cause

FROM PAGE B1

Moreover, the point-to-point core inflation, which excludes volatile items such as food and fuel, increased to 10.40 percent at the end of the July-September quarter of FY25, up from 8.32 percent at the end of the previous quarter.

The central bank said it intensified its contractionary monetary policy to ease persistent inflationary pressures.

"Inflation may require the continuation of a tight monetary policy stance for some periods ahead," it said, adding that the BB is likely to maintain its contractionary monetary policy stance until clear signs of easing inflation are

evident.

The central bank said its initiatives for banking reforms to ensure governance in the financial sector are expected to bring macroeconomic stability very soon.

"In the medium term, the economy is anticipated to rebound gradually with the advancement of the reform activities and correction processes initiated by monetary and fiscal authorities."

The central bank said Bangladesh's external sector started to recover, reflected in an improved current account balance, a more stabilised exchange rate, and slower erosion of foreign exchange reserves.

Only 45% of foreign

FROM PAGE B1

To this end, Bida identified 19 priority sectors for attracting FDI and driving economic growth.

These include established industries such as apparel and pharmaceuticals alongside emerging ones like renewable energy, information technology, and light engineering.

With the focus ranging from advanced textile manufacturing to agro-processing, the report showcases diverse opportunities for innovation and development.

Bida said that by prioritising these sectors, Bangladesh could enhance its competitiveness in global markets. "This initiative aligns with the nation's vision for sustainable growth and economic self-reliance,"

it added.

Bida informed that it created the heatmap as a strategic tool to facilitate FDI by addressing challenges hindering its inflow.

Drawing inspiration from global best practices, including collaborations between investment bodies and academia, the heatmap aims to align FDI efforts with Bangladesh's long-term economic goals.

Against this backdrop, Bida said Bangladesh must address systemic bottlenecks in investment promotion to fully capitalise on its FDI potential. The report pointed out critical hurdles for increasing FDI, such as the lack of long-term vision in corporate planning and poor competitor benchmarking.

READ FULL STORY ONLINE




Agrani Bank PLC.
Establishment & Engineering Division
Head Office, Dhaka-1000.

Invitation for Enlistment & Renewal of Enlistment- 2025-2026

01. Division	Establishment & Engineering Division
02. Procuring Entity Name	Agrani Bank PLC., Establishment & Engineering Division (Level-7), Head Office, 9/D, Dilkusha C/A, Motijheel, Dhaka.
03. Procuring Entity District	All Over Bangladesh.
04. Invitation for	Category of Enlistment/Renewal (1) Civil Works (2) Mechanical Works (3) Electrical & Telephone Works.
05. Invitation Ref. No & Date	E&ED/Engg./enlistment/ admin/94/25, date: 15/01/2025
06. Procurement Method	Limited Tendering Method
07. Application Closing Date and Time	Date: 17/02/2025 Time: 4:00 PM
08. Name & Address of the Office(s) for Form collection & submission	Agrani Bank PLC., Establishment & Engineering Division (Level-7), Head Office, 9/D, Dilkusha C/A, Motijheel, Dhaka.
- Application Form Availability	From Date: 16/01/2025 to 17/02/2025; Time: 10.00AM - 4.00PM
- Receiving Application Form	From 16/01/2025 to 17/02/2025; Time: 10.00AM - 4.00PM
09. Eligibility of Applicant	a. Must have valid & Updated Trade License. b. Must have valid e-TIN Certificate. c. Must have Updated Income Tax Certificate. d. Must have valid VAT Registration Certificate. e. Must have valid & updated Bank Solvency Certificate. f. Must have documentary evidence of 01(one) year specific experience (work completion certificate) for related works/ services in Banks/ Financial Institutions/ Govt. or Semi Govt. Organization/Autonomous Organization (Only for Mechanical and Electrical works category). g. Must have updated ABC/BC/C category contractor & supervisory licence (for Electrical works only) from Electricity Licence Board. h. Must have minimum 2 Nos of technical personnel in relevant field (B.Sc/Diploma Engineer). i. Any company/firm or Owner of the company/firm debarred or blacklisted by Banks, Financial Institutions, Govt. Organization, Semi Govt. Organization & Autonomous Organization is not eligible for the Enlistment. j. Other documents mentioned in Application Form.
10. Price (Tk) of Application Form (Non-refundable)	Tk.1,000/- (One Thousand) only per set. Applicants have to apply in their official letter head pad along with Pay-order/Demand Draft from any schedule bank of Bangladesh in favour of Agrani Bank Limited, Head Office, Dhaka.
11. Enlistment & Renewal Fee (Tk) (Non-refundable)	Tk.5,000/- for New Enlistment & Tk. 2,000/- for Renewal. Enlistment & Renewal Fee must be submitted in the form of Pay-order/Demand Draft in favour of Agrani Bank PLC., Head Office, Dhaka. After the Evaluation Only eligible firm/company will be notified to submit Enlistment/Renewal Fee (whichever is applicable).
12. Enlistment Security (Refundable)	1,00,000.00 (One lac) taka only for each category. After the Evaluation only eligible firm/company will be notified to submit enlistment security.
13. Procuring Entity Details for Official Inviting Application	Md. Abdur Rahman Deputy General Manager Establishment & Engineering Division (Level-7), Agrani Bank PLC., Head Office 9/D, Dilkusha C/A, Motijheel, Dhaka. Email address: dgmeed@agranibank.org Telephone: +880222381674.
14. The Procuring Entity reserves the right to reject any or all Applications.	


(Md. Abdur Rahman)
Deputy General Manager



প্রধান প্রকৌশলীর দপ্তর
ঢাকা বিশ্ববিদ্যালয়
ঢাকা-১০০০

মেমো নং ৪০৩৮ (২)/ প্রকৌঃ

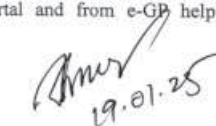
তারিখ: ১৯/১/২৫


e-GP Tender Notice(OTM)

e-GP Tender is invited in the National e-GP System (www.eprocure.gov.bd) for the procurement of works mentioned below under University of Dhaka.

SL No	Tender ID	Package No	Name of Work	e-Tender Last Selling date & Time	e-Tender Closing date & Time
1	1063404	SSZ-03	Repair and Painting Work for Verandha ceiling with roof of main Building Mosque Shaheed Sergeant Zahurul Haque Hall, University of Dhaka.	04-02-2025 12.30	05-02-2025 12.30

This is an online Tender, Where only e-Tender will be accepted in the National e-GP portal and no offline/hard copies will be accepted. To submit e-Tender, registration in the National e-GP System portal (<http://www.eprocure.gov.bd>) is required. The fees for downloading the e-Tender documents from the National e-GP System portal have to be deposited online branches of any registered bank branches. Further information and guidance are available in the National e-GP System portal and from e-GP help desk(helpdesk@eprocure.gov.bd).


Executive Engineer (Zone-2)
University of Dhaka.



প্রধান প্রকৌশলীর দপ্তর
ঢাকা বিশ্ববিদ্যালয়
ঢাকা-১০০০

মেমো নং ৪০২৩(২)প্রকৌঃ


তারিখ: ১৬/১/২৫

e-GP Tender Notice (LTM)

e-GP Tender is invited in the National e-GP System (www.eprocure.gov.bd) for the procurement of works mentioned below under University of Dhaka.

SL No.	Tender ID	Package No.	Name of work	e-Tender last selling date & time	e-Tender closing date & time
1	1044298	PW-AC- Repair 05	In the main building of the Department of Chemistry (in the Curzon Hall area), three rooms in the middle of the third floor have been converted into an examination hall.	03-02-2025 13.00	03-02-2025 15.30

This is an online tender, where only e-Tender will be accepted in the National e-GP Portal and no offline/hard copies will be accepted. To submit e-Tender, registration in the National e-GP System Portal (<http://www.eprocure.gov.bd>) is required. The fees for downloading the e-Tender documents from the National e-GP System Portal have to be deposited online branches of any registered bank branches. Further information and guidance are available in the National e-GP System Portal and from e-GP help desk (helpdesk@eprocure.gov.bd).


Md. Abdul Mannan
Executive Engineer (Zone-1)
University of Dhaka

Trump launches his own meme coin, value soars

AFP, Washington

US President-elect Donald Trump has launched his own cryptocurrency, appropriately called STRUMP, sparking feverish buying that sent its market capitalization soaring on Saturday to several billion dollars.

In a message posted on his Truth Social platform and X, Trump unveiled the so-called meme coin, which is designed to capitalize on the popularity of a certain personality, movement or viral internet trend.

Meme coins have no economic or transactional value, and are often seen as a means of speculative trading.

"This Trump Meme celebrates a leader who doesn't back down, no matter the odds," says the coin's official site, which makes reference to the assassination attempt against the Republican in July 2024.

In the hours following

By mid-morning on Saturday, the market capitalisation for STRUMP stood at nearly \$6 billion

the overnight launch, the crypto community posed questions about the legitimacy of the STRUMP coin, and its actual link to the president-elect, with some fearing a scam.

But the fact that the announcements came on Trump's official social media channels seemed to reassure the market, as did the fact that Trump has used one of the companies behind the project, CIC Digital LLC, in the past to sell non-fungible tokens (NFTs).

By mid-morning on Saturday, the market capitalization for STRUMP stood at nearly \$6 billion. Neither Trump nor the company managing the launch, Fight Fight LLC, offered details about how much he made from the initial batch of meme coins released.

The coin's official site said 200 million meme coins were issued, with Fight Fight Fight saying an additional 800 million would be added over the next three years.

At the current rate, the coins not yet on the market would be worth about \$24 billion.

Initially opposed to cryptocurrency, Trump made a sharp about-face during his 2024 presidential campaign, becoming a champion of the concept and promising to develop the sector, notably by loosening regulations.



A view of the country's premier seaport in Chattogram. Shipping agents alleged that berth operators are not providing enough trailers alongside vessels to transport containers between the vessels and the yards, significantly slowing down handling operations.

PHOTO: STAR/FILE

Vessels face longer stays at Chattogram port

Container handling allegedly slowed down for dispute

DWAIPAYAN BARUA, Chattogram

Vessels are facing unusually long stays at the General Cargo Berth (GCB) terminal of the Chattogram port as berth operators allegedly continue to adopt a go-slow tactic in container handling operations amidst a feud with shipping agents.

The issue arose earlier this month centring a longstanding conflict between shipping agents, who represent vessel operators, and six berth operators over the latter's proposal to raise onboard container handling charges.

Since 2007, these berth operators have been managing the six container jetties at the GCB, the port's oldest terminal, where geared vessels are handled.

The disruption worsened over the past week, with at least three vessels apparently experiencing delays in the unloading of import-laden containers and loading of export-laden ones.

A Colombo bound vessel, Xpress Nuptse, carrying 1,198 TEUs (twenty-foot equivalent units) of import-laden containers, berthed at Jetty No. 11 of the GCB on January 13.

Md Saiful Islam, head of the Chattogram branch of the ship's local agent Sea Consortium Ltd, said the vessel was scheduled to depart on January 16.

However, the unloading of its import-laden containers took four days and the task was completed on January 17.

The vessel is scheduled to carry 1,300 TEUs of export-laden containers to Colombo.

"By Saturday morning, only 947 TEUs had been loaded. If the remaining containers can be loaded overnight, the vessel might depart on Sunday morning, but it will still face a

three-day delay," Saiful said.

He added that the vessel was scheduled to reach Colombo by January 20 to connect with a US and UK-bound mother vessel the following day, but it now seems these cargoes would miss the connection.

Similarly, Malaysia-bound Cape Montera, which berthed at Jetty No. 10 on January 14 with 1,422 TEUs of import-laden containers, still had 116 TEUs on board as of Saturday.

It was yet to be loaded with 66 TEUs of export-laden containers.

The disruption worsened over the past week, with at least three vessels apparently experiencing delays in the unloading of import-laden containers and loading of export-laden ones

According to the port sources, the vessel was supposed to depart on January 17.

Both Xpress Nuptse and Cape Montera departed yesterday.

Another vessel, Fitz Roy, which berthed on January 15, departed on Saturday without taking empty containers to avoid further delays.

Shipping agents alleged that berth operators are not providing enough trailers alongside vessels to transport containers between the vessels and the yards, significantly slowing down handling operations.

They also said the operators have stopped their longstanding practice of sending export loading plans to private off-docks, alongside processing import discharge and export permissions from the Chittagong Port

Authority's (CPA) shipping section.

As a result, shipping agents' staff are now performing these tasks, leading to further delays.

Shipping agents currently pay berth operators Tk 559.53 per container for onboard handling, including loading and unloading.

The berth operators earlier this month demanded a \$5 increase in the onboard handling rate per container, but shipping agents opposed the move.

Fazle Ekram Chowdhury, president of the Berth Operators, Ship-Handling Operators, and Terminal Operators' Owners' Association, said they have not increased the onboard handling rate since 2007.

But rising operational costs have made it impossible to continue at the previous rate, he said.

Denying the allegation of slowing down operations, Chowdhury claimed they were handling containers at the usual pace.

Leaders of Bangladesh Container Shipping Association (BCSA) met with senior port officials on January 15 to express their concerns over the slowdown in operations at the GCB.

The port officials called on the leaders of the berth operators association at that meeting, where berth operators urged for raising the onboard handling rate.

However, the BCSA leaders refused to discuss the issue at the meeting, saying that the issue was not included in the meeting's agenda.

Chittagong Port Authority Secretary and Spokesperson Md Omar Faruk is currently abroad and could not be reached for comment.

Is the local RMG sector ready for net-zero by 2050?

MD MOHIUDDIN RUBEL

As the world confronts the pressing challenge of climate change, the global push toward decarbonisation has gained momentum, with major economies like the EU, US, and Canada pledging to achieve net-zero and strengthening legal frameworks for businesses to address climate issues. Industries worldwide are setting net-zero targets in line with Science Based Targets (SBT) to reduce emissions and mitigate global warming. The global fashion industry, responsible for nearly 10 percent of global greenhouse gas emissions, is under increasing scrutiny. For Bangladesh, where the ready-made garment (RMG) industry contributes over 80 percent of export earnings and approximately 11 percent of GDP, this challenge is particularly significant. The key question now is whether the industry is ready to commit to a net-zero target by 2050.

The good news is that Bangladesh's RMG industry has already made significant strides. With 233 factories LEED-certified—93 Platinum-rated—the sector has shown it can adopt greener practices. Many factories have implemented large-scale solar rooftop projects, embraced circular economy principles, and invested in energy-efficient technologies, laying a solid foundation for deeper climate commitments.

However, challenges remain. Scaling the use of renewable energy across all factories, improving energy efficiency, and achieving a circular economy for textiles are still major hurdles, especially for SMEs. Infrastructure limitations, limited access to affordable green financing, and the high cost of transitioning to greener technologies present barriers that can slow progress.

Demand for eco-friendly supply chains is stronger than ever as major brands are aligning themselves with net-zero targets. Regulatory shifts like the EU's Carbon Border Adjustment Mechanism (CBAM) could impose carbon tariffs on exports from high-emission countries, affecting Bangladesh's RMG exports if swift action isn't taken. The rise of sustainability-linked financing means that access to international capital could soon depend on the industry's carbon footprint. These trends create pressure but also opportunities for Bangladesh's RMG sector to step up its sustainability game.

Achieving a net-zero target by 2050 is ambitious but not impossible for Bangladesh's RMG industry. Opportunities to lead on climate action exist, given the sector's size and influence on the global fashion supply chain. For this vision to become a reality, a strategic and coordinated approach is essential. The industry must continue its transition to renewable energy, scale solar energy usage, collaborate with power companies, and invest in energy-efficient technologies. Reducing emissions across the supply chain, particularly in logistics, dyeing, and finishing processes will require innovative solutions. The sector must also explore circular economy practices, like recycling textiles and minimising waste.

Government support is vital to meet the 2050 net-zero target, with policies that incentivize green investments, such as tax breaks for companies adopting renewable energy. Providing clear guidelines for CPPA (Corporate Power Purchase Agreement) could ease access to green energy for the RMG industry. Immediate, short, medium, and long-term strategies are necessary to ensure growth and employment. International cooperation is also essential during such a time as the RMG sector requires global financial and technical resources, especially after Bangladesh graduates from its least developed country (LDC) status, as this could limit development assistance. International partnerships with development agencies, trade agreements, and sustainability-linked financing are key to making net-zero a feasible goal.

While the 2050 target is ambitious, it is not impossible. The world is changing, and industries that fail to adapt to climate demands will lose in a marketplace where sustainability is non-negotiable. Bangladesh's RMG industry can lead the charge by embracing innovation, strengthening partnerships, and advocating for stronger policies. To achieve this, all stakeholders—from manufacturers to policymakers—must collaborate, investing in green technologies and workforce training to ensure the transition is smooth. By setting ambitious goals with a realistic view of the challenges, Bangladesh can become a global leader in sustainable apparel production by 2050.

The author is the additional managing director of Denim Expert Ltd



India to allow 1m tonnes of sugar exports this year

REUTERS, Mumbai/New Delhi

India is set to allow exports of 1 million metric tons of sugar during the current season, government and industry sources said, to help mills export surplus stocks from the world's second biggest producer of the sweetener and help prop up local prices.

The permission to let mills sell 1 million tons of sugar on the world market could put further downward pressure on global sugar prices, .

The government is expected to soon issue an official order allowing exports of 1 million tons of sugar, said the sources who did not wish to be named as they were not authorised to speak to the media.

The decision to allow exports, which had been speculated for the past few weeks, comes as a surprise to a section of traders, as this year's production is expected to fall below consumption for the first time in eight years.

Maharashtra, Karnataka, and Uttar Pradesh account for more than 80 percent of the country's total sugar production, with lower cane yields in these states prompting trade houses to reduce their output estimates for the current 2024-25 season.

The production could fall to around 27 million tons from last year's 32 million tons and below annual consumption of more than 29 million tons, according to leading trade houses.

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.

REUTERS, London

King Dollar, meet the Donald. After lording over most major currencies for the past three years, the greenback is likely to get another big boost from the protectionism and fiscal largesse of incoming US President Donald Trump. It may catch markets and governments out.

This year was supposed to mark the end of the dollar's long bull run. After the greenback gained 15 percent against its developed world peers since January 2022, analysts predicted that a slowdown in the US economy along with interest rate cuts would dethrone it. Not so fast. Since the start of 2025, the dollar index, which tracks the US currency against a trade-weighted basket of six major currencies, has kept rising. On Jan. 13 it hit the highest level since November 2022.

It could go higher. If Trump keeps his promise to impose widespread tariffs, the price of imported goods would rise and keep U.S. inflation elevated. That, in turn, could prompt the Fed to stop cutting rates, or even to raise them. And if the new administration pushes through a near \$8 trillion package of tax cuts, the currency would likely receive a twin boost from faster economic growth and the higher bond yields caused by investor fears of

ballooning debt levels.

Admittedly, domestic politics and international diplomacy may derail or dilute the White House's plans. But markets don't seem prepared if Trump has his way. Analysts expect the euro to strengthen against the dollar in 2025, according to a Reuters poll. And the

International Monetary Fund predicts the US economy will slow down this year, while growth in the euro zone, the UK and Japan picks up. As for import levies, only a third of those betting in the crypto-based prediction market Polymarket believe Trump will impose large tariffs in the next six months.



People queue at the entrance to a currency exchange shop in central Tokyo. Since the start of 2025, the dollar index, which tracks the US currency against a trade-weighted basket of six major currencies, has kept rising.

PHOTO: AFP/FILE