

Star BUSINESS

Bank Asia, EBL avail \$70m IFC loan

STAR BUSINESS DESK

Bank Asia PLC and Eastern Bank PLC (EBL) have signed separate agreements with the International Finance Corporation (IFC), a member of the World Bank Group focused on the private sector in developing countries, to avail themselves of a total of \$70 million in loans.

Sohail RK Hussain, managing director of Bank Asia; Ali Reza Iftekhar, managing director and CEO of EBL; and Allen Forlemu, regional industry director, Financial Institutions Group, Asia Pacific at the IFC, signed the deals in Dhaka.

Each bank will receive \$35 million, the banks said in separate press releases.

Bank Asia said it would use the loan for capacity building in the micro, small, and medium enterprise (MSME) sector.

Meanwhile, EBL said it would use the loan to support its working capital and trade-related lending programme.

READ MORE ON B3

Govt to sell rice in 424 upazilas thru special OMS

STAR BUSINESS REPORT

In preparation for the upcoming Ramadan, the government will begin selling rice at subsidised prices in 424 upazilas across the country starting in February, aiming to ensure that low-income families have affordable access to the staple grain at the local level.

Ramadan, the holy month of fasting, will begin on March 1 this year.

Rice will be sold through a special Open Market Sales (OMS) programme at a total of 848 centres across the country, according to a press release issued by the food ministry yesterday.

Three metric tonnes of rice will be sold per day in 401 upazilas across 61 districts, while one metric tonne will be sold per day in 23 upazilas across three hill districts.

The rice will be sold for Tk 30 per kilogramme (kg), with each person allowed to purchase a maximum of five kgs.

Additionally, under the OMS (general) programme, rice will be sold at 906 centres in Dhaka city, district municipalities, eight city corporations, and four labour-intensive districts, namely Dhaka, Narayanganj, Narsingdi, and Gazipur.

All the centres will sell 1 tonne of rice per day, while the Secretariat centre will sell 2 tonnes.

Over the past two years, real incomes have fallen drastically due to persistent inflation, pushing at least 78 lakh people into poverty, according to a study by the Research and Policy Integration for Development (RAPID).

This includes 38 lakh people who have become extremely poor.

READ MORE ON B3



PHOTOS: KONGKON KARMAKER, TITU DAS

As transplantation of Boro season paddy is running in full swing, farmers across the country are being forced to pay over the odds for fertiliser as retailers cite a lack of supply. The higher prices of the key production input, alongside rising costs of pesticides and labour, are putting a strain on small growers.

Farmers forced to pay more than subsidised rates for fertiliser

SOHEL PARVEZ with KONGKON KARMAKER, AHMED HUMAYUN KABIR TOPU and PARTHA CHAKRABORTY

Farmers in different parts of the country are being compelled to buy fertiliser, a key ingredient for crop production, by paying more than government-fixed prices.

This has posed a significant setback for farmers during the current Boro season, the biggest in terms of rice production volume.

Growers are being charged Tk 3 to Tk 4 more than the set prices for each kilogramme (kg) of chemical fertiliser, including urea, Triple Super Phosphate (TSP), Diammonium Phosphate (DAP), and Muriate of Potash (MOP), as dealers complain of supply shortages.

Take the case of Ajay Das and Liton Das, two small farmers from the Badhal union of Bagerhat.

They purchased urea fertiliser at Tk 30 per kg and TSP at Tk 35 per kg nearly three weeks ago, paying far more than the administered rates, which are Tk 27 per kg for both products.

Besides, they are supposed to get each kg of DAP for Tk 21 and MOP for Tk 20.

The subsidies are aimed at keeping production costs low, facilitating food production, safeguarding the nation's food security, and enabling consumers to afford food regardless of their income

level.

But now, higher prices of key production inputs are putting a strain on businesses.

"It is increasingly difficult for small farmers like us to sustain the business among rising production costs," lamented Ajay, one of tens of thousands of growers who have seen their costs of production rise steadily over the years.

For example, labour costs with food stood at Tk 544 in June 2024, up from Tk

tonnes of urea, TSP, DAP, and MOP will be required, up 3 percent from a year ago.

Chemical fertilisers are mainly used to grow dry-season rice, locally named Boro, which is harvested in May.

Of all the fertiliser that is required to grow Boro season paddy, farmers apply roughly 60 percent in the four months from December to March, a senior official of the agriculture ministry said.

However, many farmers are not getting fertiliser as required.

For instance, Md Mozibar Rahman, a farmer from Mistripara village in Dinaipur who is cultivating a six-bigha Boro field, could not purchase fertiliser from a dealer in his area as his stock had been sold out.

He had to turn to a retailer, paying Tk 1,550 for a 50-kg (Tk 31 per kg) bag of TSP and Tk 1,200 for 50 kg of DAP (Tk 24 per kg).

"The seller refused to provide a receipt against the purchase," Mozibar alleged, adding, "Farmers like us are struggling to be denied fair prices for our crops."

Shariful Islam, a fellow grower who lives in Gobindapur village of the Biral upazila in the same district, shared a similar experience.

He said fertiliser prices usually spike during periods of high demand and limited supply.

READ MORE ON B3

Top UAE firms plan to invest in Bangladesh

STAR BUSINESS REPORT

Abu Dhabi Ports Group (ADPG) and Masdar, two major companies in the United Arab Emirates (UAE), yesterday put forward plans to invest in port development, management and logistics as well as the renewable energy sector in Bangladesh.

Ahmad Ibrahim Al Mutawa, chief executive officer of ADPG, and Fatima Almadhloum Alsuwaidi, head of development and investment for the Asia-Pacific Region at Masdar, presented the investment proposals when they called on Chief Adviser Prof Muhammad Yunus at the State Guest House Jamuna.

Of the companies, Masdar, a renewable energy company, proposed to invest \$500 million in reclaimed land on the coast to set up a 250-megawatt solar power project.

"Bangladesh is ready for business," the chief adviser said while appreciating the investment proposals.

"Bring your people and set up as many plants as you want," he added.

ADPG is the fourth major port handler and logistics company, after DP World of the UAE, AP Moller Maersk of Denmark, and Red Sea Gateway Terminal of Saudi Arabia, to express interest in Bangladesh's port management in less than a week.

The Abu Dhabi-based company has expressed interest in developing one of the proposed three bay terminals through financing, operating and maintaining container and multipurpose terminal and other facilities under a joint venture with the Chittagong Port Authority.

Group CEO Al Mutawa praised the welcoming attitude of Bangladeshi authorities and hoped the investment would help increase ship movement in Bangladeshi ports.

Masdar's regional head of investment, Alsuwaidi said they are very supportive of showcasing new ideas to Bangladesh."

Abdulla Ali ALHmoudi, the UAE ambassador to Bangladesh, handed over an invitation from the Dubai ruler to the

READ MORE ON B3

Marico secures handsome profit growth with higher sales

STAR BUSINESS REPORT

Marico Bangladesh secured handsome profit growth in the third quarter of its financial year 2024-25 by increasing its sales, even amidst the erosion of people's purchasing power due to inflationary pressure.

With a focus on the beauty and wellness industry, the multinational fast-moving consumer goods (FMCG) company reported a profit of Tk 139.68 crore in the October-December quarter (its financial year began last April).

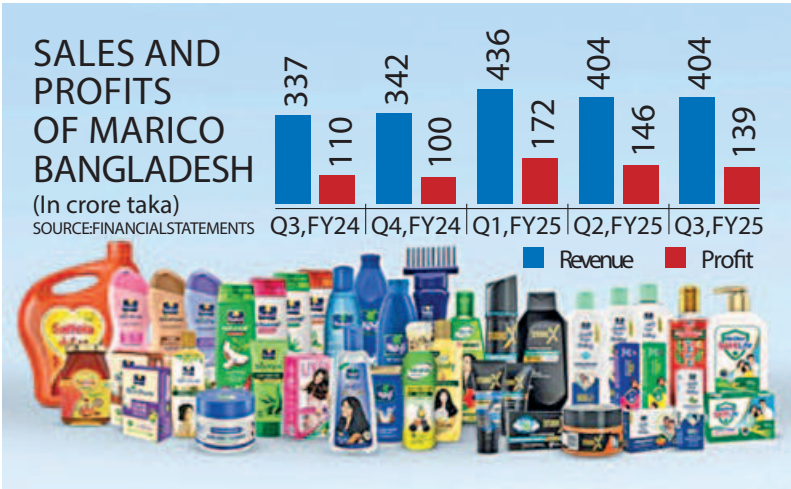
This represented a year-on-year growth of 26 percent.

The revenue of the company reached Tk 404 crore, reflecting a robust 19.7 percent year-on-year growth, despite heightened inflationary pressures and ongoing macroeconomic challenges.

While coconut oil remains the largest contributor to revenue, the value-added hair oil, beauty and health, and men's grooming segments have showcased strong growth momentum.

Based on its high profit, the company's board of directors declared an interim cash dividend of 440 percent, or Tk 44 per share, for those who retain the company's shares until February 23.

The price of the shares rose slightly to Tk 2,321 on the Dhaka



Stock Exchange yesterday.

Marico's earnings per share (EPS) stood at Tk 44.34 for the October-December quarter, up from Tk 34.93 in the same period of the previous year, according to its financial statements.

The company attributed the growth to an increase in revenue, an improvement in gross profit margins, and higher net finance income. However, there was a drop in its cash flow, which is an indicator of a company's financial health.

Marico reported a net finance income of Tk 16 crore, which was 47 percent higher than that of the same quarter in the previous year.

The company's financial investments reached around Tk 690 crore. In the higher interest rate regime, the investment is yielding high income for the company, contributing to its profits.

Spending on products like coconut oil accounts for a small portion of people's overall expenses, which is why high inflation had little impact on the demand for this product, said an analyst of a top brokerage house.

On the other hand, the brand's perceived value among people is high, so its sales rose, he said.

READ FULL STORY ONLINE



Bangladesh may lose 4.8% of working hours to heat stress by 2030: study

STAR BUSINESS REPORT

Bangladesh is projected to lose 4.8 percent of its working hours due to heat stress by 2030 if adequate and timely adaptation measures are not taken, according to a study.

Besides, rising sea levels are expected to submerge about 17 percent of the country's land and displace about 20 million people by 2050, said the study on "Just Climate Transitions in Bangladesh".

KEY POINTS

Rising sea levels may submerge 17% of Bangladesh's land and displace 20m people by 2050

Apparel and textile exports may lose competitiveness if renewable energy is not adopted by 2030

Experts suggested decarbonisation measures in factories

Moreover, Bangladesh will lose its competitiveness in global garment trade if the country fails to adopt proper measures for transitioning to renewable energies by 2030 or the next 10 years.

This is because international clothing retailers and brands will either pay less for garments made by factories running on fossil fuel or avoid purchasing from them altogether.

The study, conducted by international consulting firm FSG with help from H&M Foundation and Laudes Foundation, was unveiled at a discussion organised by Bangladesh Apparel Exchange at The Westin hotel in Dhaka yesterday.

These findings were shared by two authors of the study, Sujata Rath and Akshay Kohli – a director and associate director of the FSG respectively.

Rathi, Kohli and other discussants mainly spoke on challenges in the garments and construction sectors.

READ MORE ON B3

STOCKS		
	DSEX ▼	CASPI ▲
	0.07% 5,126.42	0.15% 14,375.62

COMMODITIES		
	Gold ▲	Oil ▲
	\$2,742.81 (per ounce)	\$73.45 (per barrel)

ASIAN MARKETS				
	MUMBAI	TOKYO	SINGAPORE	SHANGHAI
	▲ 0.71% 75,901.41	▼ 1.39% 39,016.87	▲ 0.11% 3,801.07	▼ 0.06% 3,250.60

Lower-tier govt employees may get dearness allowance

REJAUL KARIM BYRON

The interim government may consider a dearness allowance for lower-grade government staff to provide respite from the ongoing high inflation.

However, it has not yet been finalised whether the allowance will be provided during the ongoing fiscal year or the next one.

A finance ministry official said they have conducted internal exercises and found that a huge amount of money would be required for this at a time when the government has been facing a shortfall in revenue collection.

As a result, the government is considering whether the dearness allowance could be provided only to staffers of the 10th to 20th grades.

In this regard, Finance Adviser Salehuddin Ahmed told The Daily Star on Monday that he will not say anything at this moment.

"I will not do anything unpopular. I have no desire to be a populist, nor do I want to please anybody. I am looking into the matter. This is what I can say at this moment," he further said.

The finance adviser noted that there are employees in different grades who receive low salaries.

READ FULL STORY ONLINE



Allen Forlemu, IFC regional industry director of the Financial Institutions Group for Asia and the Pacific, and Ali Reza Iftekhhar, managing director and CEO of Eastern Bank, pose for photographs after signing a \$35-million loan deal at the bank's head office in Dhaka yesterday.

PHOTO: EASTERN BANK



Allen Forlemu, IFC regional industry director of the Financial Institutions Group for Asia and the Pacific, and Sohail RK Hussain, managing director of Bank Asia, pose for photographs after signing a \$35-million loan agreement for capacity building in the micro, small, and medium enterprise sector at Bank Asia Tower in the capital's Karwan Bazar on Monday.

PHOTO: BANK ASIA



Jinatul Kabir, chief executive officer of Assure Group, and Md Nazeem A Choudhury, deputy managing director of Prime Bank, pose for photographs after signing an agreement at the bank's corporate office in the capital recently.

PHOTO: PRIME BANK

Prime Bank partners with Assure Group to offer benefits to customers

STAR BUSINESS DESK

Prime Bank PLC recently signed an agreement with Assure Group, a real estate development company in Bangladesh.

Md Nazeem A Choudhury, deputy managing director of the bank, and Jinatul Kabir, chief executive officer of the realtor, signed the deal at the bank's corporate office in the capital, said a press release.

Under this agreement, Prime Bank customers who purchase property from Assure Group will enjoy attractive offers,

including up to a 10 lakh discount, flexible down payment (subject to the payment schedule), a free kitchen cabinet as per Assure Group's standard, and a two-day couple tour to DERA Resort & Spa. Customers referred by Assure Group will also receive lucrative facilities from Prime Bank.

Joarder Tanvir Faisal, executive vice-president and head of cards and retail asset at the bank, and Ashish Kumer Sarker, senior deputy general manager of the realtor, along with other senior officials from both organisations, were also present.

AkijBashir Group opens new 'Selections' showroom in Tangail

STAR BUSINESS DESK

Selections, the premium brand emporium of AkijBashir Group, recently launched a new showroom on Keya Hall Road in Tangail.

The showroom offers an extensive range of ceramic tiles, sanitaryware, bathware, tableware, boards, and doors for the customers.

Mohammad Khorshed Alam, chief operating officer of AkijBashir Group, inaugurated the new showroom, according to a press release.

During the inauguration, Alam said, "The vision behind 'Selections' has always been to provide customers with the finest products from AkijBashir Group for their interior needs."

He added, "This flagship showroom in Tangail marks another step forward in achieving that mission."

"We are confident that customers will appreciate the wide selection of premium tiles, sanitaryware, faucets, boards, and doors available here, making their choices more convenient and rewarding," he continued.

With the motto "Select from the Best," the "Selections" brand began its journey in October 2022, aiming to provide customers with a one-stop destination for all of AkijBashir Group's brand products under one roof.

Previously, five flagship showrooms were launched in different locations, including Banani in Dhaka, Agrabad Access Road in Chattogram, Gazi Burhan Uddin Road in Mendibagh, Sylhet, Pathantula in Sylhet, and Shimultola in Savar.



Mohammad Khorshed Alam, chief operating officer of AkijBashir Group, inaugurates a new showroom of Selections on Keya Hall Road in Tangail recently.

PHOTO: AKIJBASHIR GROUP

Gold steadies

REUTERS

Gold prices steadied on Tuesday, although China's holiday thinned liquidity as bullion sought to recover from its worst intra-day performance in more than a month amid a global sell-off sparked by China's DeepSeek AI model.

Spot gold was steady at \$2,739.28 per ounce, as of 0656 GMT. US gold futures rose 0.2 percent to \$2,742.50.

Gold declined more than 1 percent on Monday, as investors sold off bullion to cover losses stemming from a wider market sell-off that was led by technology stocks as the DeepSeek's low-cost, low-power AI model led to questions about traditional AI bellwethers.

With China markets closed for the Lunar New Year holidays, attention is now on the US Federal Reserve's two day policy meeting that starts later in the day.

Policymakers are expected to leave interest rates unchanged on Wednesday, but US President Donald Trump has said he wants the central bank to lower borrowing costs.

Dollar firms against yen, euro

REUTERS

The dollar firmed against the yen and euro on Tuesday on new US tariff threats, giving traders little time to catch their breath after Monday's big risk-off moves on concerns that US dominance in artificial intelligence technology may be wavering.

Any market relief that President Donald Trump stopped short of hiking tariffs on US trading partners immediately after taking office last week has quickly faded. Trump said he planned to impose tariffs on imported computer chips, pharmaceuticals and steel in an effort to get the producers to make them in the United States.

That verbal salvo came a day after the US and Colombia pulled back from the brink of a trade war when the White House said the South American nation had agreed to accept military aircraft carrying deported migrants. "We've seen a lot of whiplash in the dollar movement as a result of...back and forth headlines on the tariffs and whether it's aggressive or not," said Sim Moh Siong, a currency strategist at Bank of Singapore.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (JAN 28, 2024)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 70-Tk 85	3.33 ↑	13.14 ↑
Coarse rice (kg)	Tk 54-Tk 56	4.76 ↑	5.77 ↑
Loose flour (kg)	Tk 40-Tk 45	0	-13.27 ↓
Lentil (kg)	Tk 105-Tk 110	0	0
Soybean (litre)	Tk 170-Tk 173	4.57 ↑	7.19 ↑
Potato (kg)	Tk 20-Tk 30	-58.33 ↓	-44.44 ↓
Onion (kg)	Tk 40-Tk 50	-28.00 ↓	-52.63 ↓
Egg (4 pcs)	Tk 44-Tk 48	-4.17 ↓	-1.08 ↓
SOURCE: TCB			

NATIONAL TUBES LIMITED

131-142, Tongi Industrial Area
TONGI, GAZIPUR.

Price sensitive information


Financial position for the Half year (Q-2) Ended on 31 December, 2024

In compliance with the Gazette Notification No.BSEC/CMRRCD/2006-158/207/ Admin/80 dated 03 June, 2018 of the Bangladesh Securities and Exchange Commission. The Board has approved in its 564th Board Meeting held on 28 January, 2025 the Provisional & Un-audited Financial Statements for the Half year (Q-2) ended on 31 December 2024.

Summarized Financial Position are as follows:

Particulars	31 December, 2024 (Taka)		30 June, 2024 (Taka)	
Net Assets Value	475,80,97,474		474,54,20,054	
Net Assets Value (NAV) Per Share	136.64		136.28	
Particulars	July-Dec. 24	July-Dec. 23	Oct-Dec. 24	Oct-Dec. 23
Net sales	22,72,79,607	21,89,18,116	12,54,91,410	14,24,37,893
Net Profit/(Loss) after tax	1,24,18,303	1,42,21,606	80,70,092	1,78,46,851
Earning Per Share (EPS)	0.36	0.41	0.24	0.51
Particulars	July-Dec. 2024		July-Dec. 2023	
Net Operating Cash Flow (NOCFPS) Per Share	1.47		(6.17)	

By order of the Board,


28-01-25
(Pranjit Paul)
Company Secretary

Date: 28 January 2025.

N.B. The details of the published quarterly (Q2) financial statements are available in the website of the company. The address of the website is www.ntl.gov.bd.

Bangladesh Satellite Company Limited	
'Connecting Worlds for Enriching Lives'	
116 Kazi Nazrul Islam Avenue, Dhaka-1000 www.bscl.gov.bd	
Invitation for Tenders	
GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH	
1 Ministry/Division	Ministry of Posts, Telecommunications and Information Technology
2 Agency	Bangladesh Satellite Company Limited
3 Procuring Entity Name	Bangladesh Satellite Company Limited, represented by Senior Manager (Procurement)
4 Procuring Entity Code	Not used at present
5 Procuring Entity District	Dhaka
6 Invitation for	Procurement of RF Equipment Parts (Retender)
7 Invitation Ref No	14.39.0000.012.07.001.23-40(T)
8 Date	28/01/2025
KEY INFORMATION	
9 Procurement Method	Open Tendering Method (OTM)
FUNDING INFORMATION	
10 Budget and Source of Funds	Company's Own Fund
11 Development Partners	Not Applicable
PARTICULAR INFORMATION	
12 Project / Programme Code	Not Applicable
13 Project / Programme Name	Not Applicable
14 Tender Package No.	BSCL/2024-25/PG-11
15 Tender Package Name	Procurement of RF Equipment Parts (Retender)
16 Tender Publication Date	29/01/2025
17 Tender Last Selling Date	16/02/2025
Date Time	
18 Tender Closing Date and Time	17/02/2025 12:00 PM
19 Tender Opening Date and Time	17/02/2025 12:20 PM
20 Name & Address of the office(s)	Address
- Selling Tender Document (Principal)	Head office Bangladesh Satellite Company Limited
- Selling Tender Document (Others)	SEL Rose-N-Dale, Level-07, 116 Kazi Nazrul Islam Avenue, Dhaka-1000.
- Receiving Tender Document	
- Opening Tender Document	
NO CONDITIONS APPLY FOR SALE, PURCHASE OR DISTRIBUTION OF TENDER DOCUMENTS	
INFORMATION FOR TENDERER	
21 Brief Eligibility and Qualification of Tenderer	<ul style="list-style-type: none">The minimum of years of general experience of the Tenderer in the supply of Goods and related services as Supplier shall be 3 years.The minimum specific experience as Supplier in supply Goods of at least 1 contract(s) successfully completed within the last 3 years, of value of at least Taka 50,00,000/- (In Words: Fifty lac taka only.)
22 Brief Description of Goods	RF Equipment Parts
23 Price of Tender Document (Tk)	1,000/- (One Thousand Taka)
Lot No	Identification of Lot
24 1	Procurement of RF Equipment Parts (Retender)
Location Tender Security Amount (Tk) Completion Time in Weeks / Months	
Satellite Ground Station, (Gazipur) 2,00,000/- As Per the Tender Document	
PROCURING ENTITY DETAILS	
25 Name of Official Inviting Tender	Rehenuma Taranum
26 Designation of Official Inviting Tender	Senior Manager (Procurement)
27 Address of Official Inviting Tender	Bangladesh Satellite Company Limited SEL Rose-N-Dale, Level-07, 116 Kazi Nazrul Islam Avenue, Dhaka-1000
28 Contact details of Official Inviting Tender	0241030091-93, procurement@bscl.gov.bd
29 The Procuring Entity reserves the right to reject all tenders or annul the Tender proceedings	
(Signed) Rehenuma Taranum Senior Manager (Procurement) Bangladesh Satellite Company Limited.	
GD- 302	

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. 12.21.0000.010.41.468.20.1015

Date: 22.01.2025

e-TENDER NOTICE

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

SI 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.	1065026,	OTM	Supplying, fitting & fixing of Hybrid Solar Inverter for use in Administrative Building & BARI Central Mosque at BARI, Gazipur.	21-Jan-2025 17:00	05-Feb-2025 12:30
2.	1065071	OTM	Repair & Renovation of Deep Tube Well beside Bithika playground at BARI, Gazipur.	21-Jan-2025 17:00	05-Feb-2025 12:00
3.	1065090,	OTM	Repairing and renovation of B-type 15/E no Quarter at BARI, Gazipur	21-Jan-2025 17:00	05-Feb-2025 12:00
4.	1063446	OTM	Repairing & renovation of carpeting road near at Kazi Badrudduza Auditorium at BARI Gazipur.	22-Jan-2025 14:00	06-Feb-2025 12:00
5.	1041579,	OTM	Repair & Renovation of External electrification works at BARI, Gazipur.	22-Jan-2025 13:45	06-Feb-2025 12:30
6.	1066570,	OTM	Repairing of 100 KVA Transformers, Providing & laying HT Cable & Related repair works at BSCP, BARI, Debgonj.	22-Jan-2025 13:15	06-Feb-2025 12:30

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).

Budget Type : Revenue


22.01.2025

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

GD- 304

Challenging days ahead for microfinance: BB governor

STAR BUSINESS REPORT

Microfinance institutions (MFIs) are set to face significant challenges in the days to come as they have to compete with the fast-growing agent banking services, mobile financial service (MFS) providers, and the emerging digital banks, Bangladesh Bank Governor Ahsan H Mansur said yesterday.

"The microfinance institutions must prepare to face these challenges. This will not be easy because competitors are equipped with advanced technology, such as computers and tablets, and benefit from lower funding costs," he said.

Mansur added: "You [MFIs] must tackle the technological advancements and lower cost structures of these competitors in a



competitive way because the government will not provide a bailout."

The central bank governor made the comments while speaking at a national workshop on microfinance in Bangladesh, held at the CIRDA auditorium in the capital.

The workshop, titled "Annual Statistical Publication on Microfinance in Bangladesh," was organised by the Microcredit Regulatory Authority (MRA).

While MFIs have 26,000 branches nationwide, the number of agent banking outlets has reached 16,000 and is expected to grow to 60,000 in the near future, Mansur said.

He noted that donor agency grants have dwindled to almost zero, emphasising the need

for MFIs to become self-reliant and compete with banks, which are now more aggressive in offering financial services.

"If customers can obtain loans at interest rates of just 10 to 12 percent, we will not restrict banks. Ultimately, we want customers to benefit, and you [MFIs] must operate more efficiently," he said.

The governor also pointed out the need for regulatory reforms and improved governance within the microfinance sector, which he identified as a major challenge.

"There is no logic in having thousands of MFIs in the country. This is not sustainable, and some institutions will collapse due to market forces. Those that adopt IT and technology-driven operations will survive in the long run," he said.

The Bangladesh Bank governor predicted that the number of MFIs will decrease while access to credit will increase in the future.

READ FULL STORY ONLINE

Ctg customs to auction off 44 cars

24 are Land Cruisers imported by ex-MPs

STAFF CORRESPONDENT, Ctg

Customs authorities are planning to auction off a total of 44 cars on February 16, including 24 of the luxurious Land Cruiser ZX model by Japanese automaker Toyota, which were purchased by former members of parliament (MPs).

Customs halted the release of the 24 vehicles because the individuals who imported them are no longer MPs and, therefore, are not eligible to avail themselves of the vehicles under a duty-free facility.

Before the Awami League government fell in early August last year, seven cars brought under the provision were released. Most of the vehicles were imported from Japan and Singapore and have engine capacities ranging from 3,000cc to 4,000cc.

Customs officials said they issued

several notices to the importers, including the former MPs, to collect the vehicles by paying the applicable duties. However, only former MP Abul Kalam Azad got his car released.

The remaining 20 vehicles—10 dump trucks, five Harriers, and two RAV4 sport utility vehicles (SUVs), an Esquire, and two of the Land Cruiser model—were seized as their importers failed to provide the necessary documents on time.

The auction process began on February 2 and will remain open to bidders until February 16.

"Bidders can physically inspect the vehicles from February 2 to February 4, and anyone can purchase these vehicles through e-tender," said Md Shakib Hossain, assistant commissioner of Chattogram Customs.

READ FULL STORY ONLINE

Bank Asia, EBL avail \$70m

FROM PAGE B1

Bank Asia, with its strong balance sheet and nearly 8 million customers, is uniquely positioned to expand its SME portfolio by leveraging its agent banking network, said Hussain.

"Bank Asia is the pioneer of agent banking in Bangladesh," he noted.

"EBL is a strong partner of Bangladesh's development growth. This partnership with the IFC will help us extend working capital and trade finance solutions to local corporates and SMEs," said Iftekhar.

EBL stated that it currently manages 5 percent of the country's total trade business and considers small and medium-sized enterprises (SMEs) a core component of its growth strategy.

The bank also stated that it finances everything from large-scale infrastructure and manufacturing projects to complex trade

transactions.

"IFC has been a steadfast partner in Bangladesh's financial sector, working to expand access to finance for micro, small, and medium enterprises, which are the backbone of the country's economy," said Forlemu.

The investment in the two banks is a part of the IFC's ongoing commitment to strengthening Bangladesh by providing much-needed liquidity to export- and import-oriented SMEs, he said.

Ensuring the resources will not only enable SMEs to grow, innovate, trade, and create jobs but also help them build long-term resilience, navigate evolving economic challenges, and foster sustainable economic development, he added.

Shafiuzzaman and ANM Mahfuz, additional managing directors of Bank Asia; Zia Arfin, senior executive vice-president; and Wilfried Tamegnon,

manager of the Financial Institutions Group for Bangladesh, Nepal, and Sri Lanka, IFC, were present.

Govt to sell

FROM PAGE B1

Besides, another 1 crore people are at risk of slipping below the poverty line due to sustained inflationary pressures, said Md Deen Islam, research director of RAPID.

In the past year, the price of fine rice has increased by 13.14 percent, medium-grain by 13.89 percent, and coarse by 5.77 percent, according to the state-run Trading Corporation of Bangladesh.

In December 2024, inflation eased slightly to 10.89 percent from 11.38 percent the month prior.

It remained above the 10 percent threshold throughout October and November, as per the Bangladesh Bureau of Statistics.

Farmers forced

FROM PAGE B1

"I recently paid Tk 3,500 for two bags of TSP, although the official price is Tk 2,700," he said.

He added that dealers in his area do not generally overcharge, but alleged that retailers charge more than set prices.

"We are compelled to buy fertiliser at higher rates as there is no alternative. The dealers often cite transportation costs or low availability as reasons for price hikes," said Gouranga Das, another farmer in Bagerhat.

However, Md Nazrul Islam, a fertiliser dealer in Pabna, said they are selling fertiliser to retailers in line with government prices. He alleged that retailers may be increasing prices a little bit to make some profit.

Although insiders said there is a shortage of DAP, the deputy directors of the Department of Agricultural Extension (DAE) in Dinajpur and Pabna denied that there is any fertiliser shortage.

"We are getting supplies from the Bangladesh Agricultural Development Corporation (BADC) as required. We are waiting," an official of the Bangladesh Fertilizer Association (BFA) said.

Md Jamal Uddin, the deputy director of the DAE in Pabna, said there is no scope for a fertiliser crisis during the Boro season.

Asked about the hike in fertiliser prices at the retail level, he said his office and local administration are continuing drives to keep the market under control during the peak of the cultivation season.

Farmers are accustomed to buying the entire stock of fertiliser for the Boro season when they start cultivation, which causes trouble later.

Contacted, Md Aminul Islam, the deputy director of the DAE's Dhaka office who is in charge of fertiliser management, said prices are not supposed to be higher than the rate fixed by the government. "We get such allegations occasionally and take action," he said.

The BFA official added that one of the reasons farmers are forced to pay more than administered rates is the low commission for dealers and transport costs.

"Dealers get only Tk 2 as commission plus transport costs. The commission was fixed in 2008 and has not been hiked even though we have repeatedly requested the government to do so."

Agriculture Secretary Mohammad Emdad Ullah Mian could not be reached for comment over the phone despite repeated efforts. BADC Chairman Md Ruhul Amin Khan could not be reached for comment either.

Government of the People's Republic of Bangladesh
Office of the Divisional Forest Officer
Coastal Forest Division
Kheyaghat Road, Chonroabad, Bhola.

Memo No : 22.01.0900.557.02.001.2025-148 Date : 28.01.2025.

e-Tender Notice : 12(OTM)/Revenue/2024-2025

e-Tenders (OTM) are invited in the National e-GP System Portal (<http://www.eprocure.gov.bd>) for the procurement of the following goods:

Tender/Proposal ID:	Package No	Name of Goods	Last Date & Time for Selling/Downloading	Tender Closing date & Time	Tender Opening date & Time
1	2	3	4	5	6
1069023	BHOCFAFD/REVENUE/2024-2025/GD-02	Supply of Official Uniform and accessories	12-Feb-2025 11:00	12-Feb-2025 14:00	12-Feb-2025 14:00

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 through any registered Bank's Branches. Further information and guidelines are available in the National e-GP system Portal and from e-GP help desk (helpdesk@eprocure.gov.bd).

Divisional Forest Officer
 Coastal Forest Division, Bhola
 Phone: 02479966291
 E-mail: dfobhola@gmail.com

GD-299

Titas Gas Transmission & Distribution PLC
(A Company of Petrobangla)
105, Kazi Nazrul Islam Avenue
Kawran Bazar
Dhaka-1215

Ref. No.: 28.13.0000.301.99.003.25 Date: 28 January, 2025

e-Tender Notice (OTM)

Following tenders are invited in the national e-GP system portal (<https://www.eprocure.gov.bd>) for the Procurement of

Tender ID No	Package No	Name of Works	Last selling Date & Time	Closing Date & Time	Opening Date & Time
1046905	CED/Maintenance/2 024-25/02	Maintenance & Repair Works of 9th Floor Common Toilet & Finance Department at Head Office Building, Kawran Bazar, Dhaka.	11/02/2025 10:00	11/02/2025 11:15	11/02/2025 11:15
1048645	CED/Maintenance/2 024-25/03	Site Development, Guard Room Construction & Maintenance Works for the Existing Control Building With Internal Walkway & Other Necessary Civil Works at Gazaria TBS, Munshiganj.	11/02/2025 10:00	11/02/2025 11:30	11/02/2025 11:30
1062958	CED/Construction/2 024-25/02	Bituminous Carpeting Work of Internal Road, Demra CGS Complex at Demra, Dhaka.	11/02/2025 10:00	11/02/2025 11:45	11/02/2025 11:45
1068272	CED/Construction/2 024-25/03	Re-arrangement and Interior Decoration Works Including Other Necessary Civil Works of Existing Office Spaces for Relocation of Newly Created Division, Department and Sections as per Company's New Organogram-2024 at Head Office Building, Kawran Bazar, Dhaka.	18/02/2025 11:30	18/02/2025 12:00	18/02/2025 12:00

- 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 (<https://www.eprocure.gov.bd>) is required.
- Further information and guidelines are available in national e-GP System portal and from e-GP help desk (<http://www.helpdesk.eprocure.gov.bd>).

(Engr. Md. Shafiqul Islam)
 Deputy General Manager
 Civil Engineering Department
 TNT No: 02-48119327
 dgm.civil.titasgas@gmail.com

GD-300

Top UAE firms

FROM PAGE B1

the chief adviser to attend the "World Government Summit" in the UAE in February.

Khalilur Rahman, high representative of the chief adviser; and Lamiya Morshed, senior secretary for SDG affairs, among others, were also present.

Additionally, a seven-member delegation led by UAE Ambassador ALHmoudi made a call on Shipping Adviser Brig Gen (ret'd) M Sakhawat Hussain at his secretariat office in the capital yesterday.

The delegation included AD Ports Group CEO Ahmad Ibrahim Al Mutawa. The shipping adviser urged the Abu Dhabi (AD) Ports Group of the UAE to invest in the infrastructure development of Mongla port.

The adviser said Mongla Port, the country's second-largest seaport, would be transformed into a regional

trade hub, according to a press release issued by the shipping ministry.

With the development of waterway, road, and railway infrastructure, it is now possible to transport goods easily from this port to different parts of the country, he informed.

"At the same time, the use of this port has become a great potential for the neighbouring countries of Nepal, India, and Bhutan. In this context, domestic and foreign investors, including AD Ports Group, have excellent investment opportunities in Mongla port," the adviser said.

Welcoming the adviser's proposal, the delegate members informed the meeting that AD Ports Group is interested in investing in the infrastructure development of various ports in Bangladesh, including Chattogram and Mongla, the press release said.

Bangladesh may

FROM PAGE B1

Participants of a side discussion said Bangladesh's progress in adopting measures for promoting renewable energy usage in producing garments remains below 2 percent even though competing countries have already made significant strides in this regard.

Garment exporters, representatives of international clothing retailers and brands, climate experts, lawyers, government high-ups, union leaders, garment factory owners, and experts and researchers from home and abroad participated in the discussion.

Garments and construction industries remain at the heart of Bangladesh's overall

industrial sector, employing 12 million people and contributing 34 percent of the country's gross domestic product (GDP).

However, it also generates 15 percent of the country's greenhouse gas emissions, with this contribution expected to rise by about 5 percent by 2030.

The garments and construction sectors, which include brickmaking, cement, and steel manufacturing industries, are critical in an industry transition in the country.

Together, these sectors constitute 74 percent of the industrial sector's contributions to the GDP and are responsible for about half of the emissions in Bangladesh.

READ FULL STORY ONLINE

MINISTRY OF WOMEN AND CHILDREN AFFAIRS
SUPPORTING IMPLEMENTATION OF THE MOTHER AND CHILD BENEFIT PROGRAMME (SIMCBP)
Bangladesh Enhancing Investments and Benefits for Early Years
Bhaban-06, Bangladesh Secretariat
Abdul Gani Rd, Dhaka-1207.
<https://mowca.gov.bd/>

Invitation for Tender

GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH				
1	Ministry/Division	Ministry of Women and Children Affairs		
2	Agency	Ministry of Women and Children Affairs		
3	Procuring Entity Name	Supporting Implementation of the Mother and Child Benefit Programme (SIMCBP) / Bangladesh Enhancing Investments and Benefits for Early Years (BEIBEY) Project		
4	Procuring Entity Code	Not used at present		
5	Procuring Entity District	Dhaka		
6	Invitation for	Fitting and fixtures (PMMCU and PIU refurbishment)		
7	Invitation Ref No	MOWCA/SIMCBP/NCS-03/2024		
8	Date	Issued on 28/01/ 2025		
KEY INFORMATION				
9	Procurement Method	National Open Tendering Method		
FUNDING INFORMATION				
10	Budget and Source of Funds	World Bank IDA Credit		
11	Development Partners (if applicable)	World Bank		
PARTICULAR INFORMATION				
12	Project / Programme Code (if applicable)	N/A		
13	Project / Programme Name (if applicable)	Supporting Implementation of the Mother and Child Benefit Programme (SIMCBP) / Bangladesh Enhancing Investments and Benefits for Early Years (BEIBEY) Project		
14	Tender Package No.	MOWCA/SIMCBP/BEIBEY/NCS-3		
15	Tender Package Name	Fitting and fixtures (PMMCU and PIU refurbishment)		
	Date	Time		
16	Tender Publication Date	29 January 2025		
17	Tender Last Selling Date [up to the day before the day of the deadline for Submission]	13 February 2025	4:00 pm	
	Date	Time		
18	Tender Closing Date and Time	16 February 2025	2.00 p.m.	
19	Tender Opening Date and Time	16 February 2025	2.30 p.m.	
20	Name & Address of the office(s)	Address		
- Selling and Receiving Tender Document (Principal)	Supporting Implementation of the Mother and Child Benefit Programme (SIMCBP) / Bangladesh Enhancing Investments and Benefits for Early Years (BEIBEY) Project Room No.-810, Level-7, Paribahan Pool Bhavan, Dhaka-1000.			
NO CONDITIONS APPLY FOR SALE, PURCHASE OR DISTRIBUTION OF TENDER DOCUMENTS				
- Opening Tender Document	Supporting Implementation of the Mother and Child Benefit Programme (SIMCBP) / Bangladesh Enhancing Investments and Benefits for Early Years (BEIBEY) Project Room No.-810, Level-7, Paribahan Pool Bhavan, Dhaka-1000.			
21	Place / Date / Time of Pre-Tender Meeting (Optional)	Date	Time	
		NA	NA	
INFORMATION FOR TENDERER				
22	Brief Eligibility and Qualification of Tenderer	The tenderers must have proven qualifications/abilities and experience in Fitting and fixtures (PMMCU and PIU refurbishment). They must also have the legal and financial capacity/ability to enter into the contract. In support of eligibility, the Tenderers must submit a valid and up-to-date trade license, tax identification number, latest income tax payment receipt/certificate (TIN), VAT registration financial soundness certificate, etc.		
23	Brief Description of Service and associated Goods	Fitting and fixtures (PMMCU and PIU refurbishment): To renovate and refurbish the office space of about 3180 sqft office with necessary cleaning, refurbishment, civil works, electrical works, partitioning, fixtures, and fittings of required materials with pieces of equipment.		
24	Price of Tender Document	BDT 2,000.00 (two thousand only)		
25	Tender Security and work completion timeline:			
	Package No	Identification of Package	Location	Tender Security Amount (BDT)
	NCS-3	Fitting and fixtures (PMMCU and PIU refurbishment)	Dhaka	80,000.00 (Eighty thousand) only
				Completion Time in Months
				45 Days from the date of signing the contract.
26	Name of Official Inviting Tender	Dr. Prakash Kanti Chowdhury		
27	Designation of Official Inviting Tender	Project Director (Joint Secretary)		
28	Address of Official Inviting Tender	Supporting Implementation of the Mother and Child Benefit Programme (SIMCBP) / Bangladesh Enhancing Investments and Benefits for Early Years (BEIBEY) Project Room No.-810, Level-7, Paribahan Pool Bhavan, Dhaka-1000.		
29	Contact details of Official Inviting Tender	Telephone: 00-88-02-55100646 Electronic mail address: pdbeibeysimcbp@gmail.com		
The procuring entity reserves the right to reject all tenders or annul the Tender proceedings.				

Dr. Prakash Kanti Chowdhury
 Project Director (Joint Secretary)
 Supporting Implementation of the Mother and Child Benefit Programme (SIMCBP)
 MOWCA

GD- 301

Singer incurred Tk 49cr loss in 2024

STAR BUSINESS REPORT

Singer Bangladesh suffered losses in 2024 as increased financing costs dented its earnings.

The company reported a loss of Tk 49 crore in 2024, marking a significant reversal from the profit recorded in the previous year.

As a result, its loss per share stood at Tk 4.91, compared to earnings per share of Tk 5.24 in 2023, according to a disclosure on the Dhaka Stock Exchange (DSE) website.

The company attributed the loss primarily to a net deficit stemming from increased financing costs.

Its financing expenses surged by 137 percent, reaching Tk 143.3 crore in 2024, up from Tk 60.4 crore in the previous year, owing to higher interest rates.

Additionally, exchange losses of Tk 24.7 crore further exacerbated the financial strain, the company said.

Shares of Singer began trading at Tk 106.90 yesterday but declined by 4.12 percent to Tk 102.50 as of mid-day trading.

The multinational company highlighted that its operating expenses and cost of sales outpaced revenue growth, contributing to the losses.

Despite the challenging financial performance, Singer's board recommended a 10 percent cash dividend for the year ending December 31, 2024.

Its net operating cash flow per share (NOCFPS) also dropped to a negative Tk 7.96 in 2024, down from Tk 22.76 in 2023.

The company attributed the decline to increased payments for costs and expenses, coupled with stagnant collections from sales.

Holding excessive inventory in anticipation of higher sales, which failed to materialise, further strained cash flow, Singer added.

The company's net asset value (NAV) per share declined due to a rise in short-term borrowings, which climbed to Tk 1,190.8 crore in 2024 from Tk 814.2 crore in 2023 to meet higher working capital requirements.

Walton's profit rises 12% in Q2 as it adjusts prices with higher costs

STAR BUSINESS REPORT

Walton Hi-Tech Industries PLC said its profit rose in the second quarter of the fiscal year 2024-25 as it adjusted sales prices to align with higher costs.

The company reported a profit of Tk 155.43 crore in the October-December quarter, reflecting a 12 percent year-on-year growth.

Shares of Walton declined by 0.73 percent to Tk 500 as of mid-day trading yesterday on the Dhaka Stock Exchange.

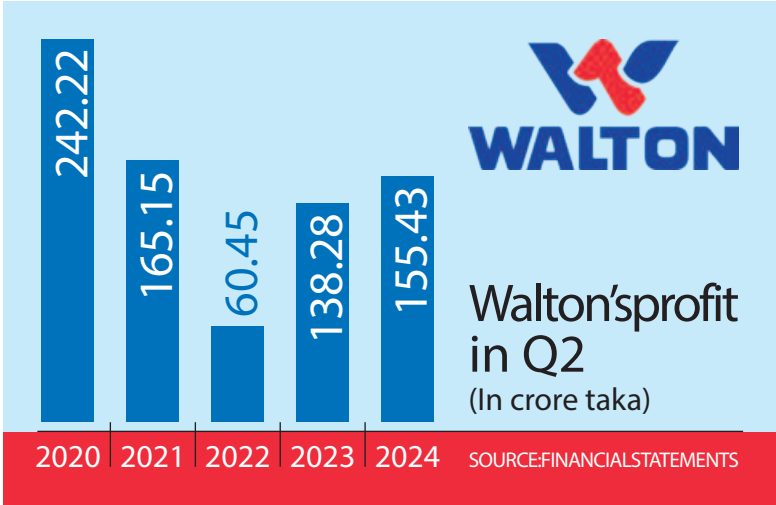
Earnings per share (EPS) stood at Tk 5.13 for October-December 2024, up from Tk 4.56 in the same period a year earlier, according to its financial statements.

However, for the first half of the fiscal year, EPS dropped to Tk 10.05 from Tk 11.24 recorded in the corresponding period of the previous year.

For the half-year period ended December 31, 2024, Walton reported a net profit after tax of Tk 304.47 crore, down from Tk 340.35 crore in the previous year.

Walton attributed the decline in earnings for the half-year period to global economic challenges, including the aftermath of the pandemic, disruptions caused by the Russia-Ukraine conflict, and inflationary pressures.

The company highlighted rising



raw material costs, a vulnerable global market, and currency devaluation as key factors affecting its financial performance, according to a price-sensitive disclosure.

Despite these hurdles, Walton achieved 7.51 percent growth in net revenue by adjusting sales prices to offset increased costs.

The company also noted an increase in VAT on its refrigerators and air conditioners this fiscal year, which impacted operating costs.

Net Operating Cash Flows Per Share (NOCFPS) also declined significantly, standing at Tk 6.93 for the period, compared to Tk

27.16 in the same period of 2023.

Walton explained that the reduction was primarily due to increased payments to suppliers based on collections from customers, instead of relying on bank borrowings.

Additionally, higher material purchases and payments to the government exchequer were made to prepare for the upcoming peak seasons.

"These strategic cash flow adjustments demonstrate our commitment to fostering long-term growth and maintaining a robust operational foundation," the company said.

Govt to import one lakh tonnes of rice from Vietnam

STAR BUSINESS REPORT

Bangladesh is set to bolster its food reserves with the purchase of one lakh tonnes of white rice from Vietnam under a government-to-government agreement.

Vietnam Southern Food Corporation, a major state-run exporter, will supply the shipment at a price of \$474.25 per tonne.

The deal was approved by the cabinet committee on public purchase at a meeting in Dhaka yesterday.

The move comes as Bangladesh looks to stabilise its food security amid rising demand and fluctuating production.

The decision to source rice from Vietnam, one of the world's largest exporters of rice, highlights the country's efforts to diversify its import strategy.

A decision was also made at the meeting to approve the sales of essential commodities through trucks of the Trading Corporation of Bangladesh in Dhaka and Chattogram.



Trump says Microsoft in discussions to acquire TikTok

AFP, Washington

US President Donald Trump said Monday that Microsoft is in talks to acquire TikTok, while the app's future in the country faces uncertainty.

TikTok is facing down a US law that ordered the company to divest from its Chinese owner ByteDance or be banned in the United States.

Asked late Monday if Microsoft was in discussion for acquiring TikTok, Trump told reporters: "I would say yes."

"There's a lot of interest in TikTok, there's great interest in TikTok," he added aboard Air Force One. He noted that a "bidding war" would also be a good development.

In his first White House stint, Trump had attempted to ban TikTok in the United States on national security concerns

A law banning the video sharing platform took effect January 19 over concerns that the Chinese government could exploit it to spy on Americans or covertly influence US public opinion.

But Trump has suspended its implementation for two and a half months, seeking a solution with Beijing.

Microsoft is among likely buyers who would have a reason to invest in TikTok, said Angelo Zino at CFRA Research.

He believes Microsoft "has had a desire to get more entrenched into the digital ad space."

TikTok temporarily shut down in the United States as the deadline for the law approached.

Trump then promised to issue an executive order as soon as he took office to delay the ban to allow time to "make a deal."

TikTok restored service subsequently in the country, crediting Trump for making the reversal possible -- though the outgoing Biden administration had earlier said that it would not enforce any ban.

DeepSeek offers no new answers to China's AI bind

REUTERS, Hong Kong

DeepSeek has triggered a dramatic rethink on artificial intelligence spending around the world, except perhaps in China. The startup's impressive low-cost model showcases the country's innovation prowess. Yet it also spotlights how US curbs on high-end chips hold back the world's second-largest economy in the global technology race. For Beijing, the smartest way forward is to keep pouring money into breaking the West's chokehold on advanced semiconductors.

The Hangzhou-based upstart stunned the world with its latest R1 model that is just as powerful as offerings from the likes of OpenAI and Meta Platforms but is cheaper to run. As investors digested the implications of inexpensive AI, and wiped out nearly \$600 billion in market value from chipmaker Nvidia alone, US officials questioned the efficacy of tech sanctions unleashed by Washington to slow China's progress in the industry and called on Donald Trump's new administration to tighten export curbs.

How the Republican president, who on Monday called, DeepSeek's model a "wake-up call" for his country, responds will now be key. On one hand, DeepSeek's



Deepseek and ChatGPT app icons are seen in this illustration taken on January 27.

PHOTO: REUTERS

breakthrough suggest sanctions accelerated creativity in the People's Republic. Indeed, Chinese firms from Huawei to Alibaba, have devised clever workarounds; tech analyst Ben Thompson of Strattechery argues that "all of the decisions DeepSeek made in the design of this model only make sense" because it could not use Nvidia's top-of-the-line offering.

Even so, the chips DeepSeek used have been banned in China since 2023. That means compatriots hoping to replicate its success face even tougher constraints today. In a rare interview, last year, the company's founder Liang Wenfeng said that while money has

never been a problem for the startup, bans on advanced chips are. In short, China has the talent and resources, but the biggest constraint is in its access to high-end processors.

It is here that Beijing is funnelling billions of dollars to help homegrown champions like Huawei and the \$55 billion Semiconductor Manufacturing International build domestic alternatives. The pair have racked up some important wins, including mass-producing a 7 nanometre smartphone chip back in 2023 that many thought was out of their reach. DeepSeek shows there are no shortcuts.

READ FULL STORY ONLINE

Nvidia loses \$600b in value amid rout in tech stocks

AFP, New York

US chip-maker Nvidia led a rout in tech stocks Monday after the emergence of a low-cost Chinese generative AI model that could threaten American dominance in the fast-growing industry.

The chatbot developed by DeepSeek, a startup based in the eastern Chinese city of Hangzhou, has apparently shown the ability to match the capacity of US AI pace-setters for a fraction of the investments made by American companies. Shares in Nvidia, whose semiconductors power the AI industry, fell nearly 17 percent on Wall Street, erasing nearly \$600 billion of its market value.

The tech-rich Nasdaq index finished down more than three percent.

DeepSeek, whose chatbot became the top-rated free application on Apple's US App Store, said it spent only \$5.6 million developing its model -- peanuts when compared with the billions US tech giants have poured into AI.

US "tech dominance is being challenged by China," said Kathleen Brooks, research director at trading platform XTB.

"The focus is now on whether China can do it better, quicker and more cost effectively than the US, and if they could

win the AI race," she said.

Art Hogan, chief market strategist at B. Riley Wealth, described the market's response Monday as "shoot first, ask questions later," noting that some are skeptical of the Chinese company's assertions.

"Everyone is trying to figure out 'Can it be believed?' and 'What does it mean,'" Hogan said.

As DeepSeek rattled markets, the startup on Monday said it was limiting the registration of new users due to "large-scale malicious" cyberattacks on its services.

AI players Meta and Microsoft are among the tech giants scheduled to report earnings this week, offering opportunity for comment on the emergence of the Chinese company.

Shares in another US chip maker, Broadcom, fell 17.4 percent while Dutch firm ASML, which makes the machines used to build semiconductors, saw its stock tumble 6.7 percent.

Constellation Energy, which is planning to build significant energy capacity for AI, sank more than 20 percent. Wall Street's broad-based S&P 500 index shed 1.5 percent while the Dow advanced 0.7 percent.

In Europe, the Frankfurt and Paris stock exchanges closed in the red while London finish flat.

Trump warns of 'wake-up call' as low-cost Chinese AI jolts sector

AFP, San Francisco

Fears of upheaval in the AI gold rush rocked Wall Street on Monday following the emergence of a popular ChatGPT-like model from China, with US President Donald Trump saying it was a "wake-up call" for Silicon Valley.

Last week's release of the latest DeepSeek model initially received limited attention, overshadowed by the inauguration of Trump on the same day.

However, over the weekend, the Chinese artificial intelligence startup's chatbot surged to become the most downloaded free app on Apple's US App Store, displacing OpenAI's ChatGPT.

What truly rattled the industry was DeepSeek's claim that it developed its latest model, the R1, at a fraction of the cost that major companies are investing in AI development, primarily on expensive Nvidia chips and software.

The development is significant given the AI boom, ignited by ChatGPT's release in late 2022, has propelled Nvidia to become one of the world's most valuable companies.

The news sent shockwaves through the US tech sector, exposing a critical concern: should tech giants continue

to pour hundreds of billions of dollars into AI investment when a Chinese company can apparently produce a comparable model so economically?

DeepSeek's apparent advances were a poke in the eye to Washington and its priority of thwarting China by maintaining US technological dominance.

Trump reacted quickly on Monday, saying the DeepSeek release "should be a wake-up call for our industries that we need to be laser-focused on competing to win."

He argued it could be a "positive" for US tech giants, adding: "instead of spending billions and billions, you'll spend less, and you'll come up with hopefully the same solution."

OpenAI chief executive Sam Altman said in a post on X that it was "legit invigorating to have a new competitor."

He called DeepSeek's R1 "an impressive model, particularly around what they're able to deliver for the price," and pledged to speed up some OpenAI releases.

The development comes against the background of a US government push to ban Chinese-owned TikTok in the United States or force its sale.

David Sacks, Trump's AI advisor and prominent tech investor, said DeepSeek's success justified the White



A woman poses with her smartphone displaying the @realdonaldtrump TikTok page in Washington.

PHOTO: REUTERS/FILE

House's decision to reverse executive orders, issued under Joe Biden, that established safety standards for AI development.

The regulations "would have hamstringed American AI companies without any guarantee that China would follow suit," Sacks wrote on X.

Adam Kovacevich, CEO of the tech industry trade group Chamber of Progress, echoed the sentiment: "Now the top AI concern has to be ensuring (the United States) wins."

Tech investor and Trump ally Marc Andreessen declared "Deepseek R1 is AI's Sputnik moment," referencing the

1957 launch of Earth's first artificial satellite by the Soviet Union that stunned the Western world.

"If China is catching up quickly to the US in the AI race, then the economics of AI will be turned on its head," warned Kathleen Brooks, research director at XTB, in a note to clients.

Microsoft CEO Satya Nadella took to social media hours before markets opened to argue less expensive AI was good for everyone.

But last week at the World Economic Forum in Davos, Nadella warned: "We should take the developments out of China very, very seriously."

Australia's Science Minister Ed Husic raised privacy concerns, urging users to think carefully before downloading the chatbot.

"There are a lot of questions that will need to be answered in time on quality, consumer preferences, data and privacy management," Husic told national broadcaster ABC.

"I would be very careful about that. These type of issues need to be weighed up carefully."

Microsoft, an eager adopter of generative AI, plans to invest \$80 billion in AI this year, while Meta announced at least \$60 billion in investments on Friday.