US trade gap swells

AFP, *Washington*

The US trade gap swelled last year to its second-largest on record, government data showed Wednesday, as deficits come under the spotlight with President Donald Trump's return to the White House.

In 2024, the overall US trade deficit grew to $918.4 billion, widening 17 percent from 2023 as imports ballooned more than exports, said the Commerce Department.

The trade deficit in goods also reached a new record for the year, in official data going back to 1960.

The high figures could attract renewed scrutiny under the new US administration, with Trump already threatening tariffs on major US partners over trade imbalances and other issues.

Over the weekend, Trump announced fresh duties on the United States' three biggest trading partners in goods -- Canada, Mexico and China

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-- before reaching deals with Canada and Mexico to halt the levies for a month as talks continued.

Chief among his justifications were concerns over illegal immigration and the flow of deadly fentanyl across US borders, but he has previously also pointed to America's trade deficits with its neighbors.

Stock markets wavered as tariffs targeting Beijing came into effect Tuesday, with an accompanying suspension of duty-free exemptions for low value parcels sparking worry.

With Beijing's announced retaliation, economies are on edge over the prospect of broadening trade wars.

For all of last year, imports jumped by 6.6 percent or $253.3 billion while exports increased 3.9 percent by $119.8 billion.

Driving the growth in goods exports were products like computer accessories and semiconductors, while travel was a key factor behind services exports growth.

Imports surged on the back of goods like consumer goods, computers and semiconductors, as well as foods.

By placing environmental responsibility alongside growth at the core of its business, Abul Khair Steel is showing how heavy industrial manufacturing can still minimise its ecological footprint.
PHOTO: COLLECTED

Abul Khair Steel aims to cut ecological footprint

JAGARAN CHAKMA *and* DWAIPAYAN BARUA

Steel factories are often seen as some of the biggest culprits of environmental pollution due to their massive energy consumption, heavy water use and harmful emissions.

However, by placing environmental responsibility alongside growth at the core of its business, Abul Khair Steel (AKS) is showing how heavy industrial manufacturing can still minimise its ecological footprint.

In Chattogram's Sitakunda area, two AKS factories are producing steel while adopting rainwater harvesting and utilising solar power.

Located by the Dhaka-Chattogram highway, these factories, which produce long and flat steel, are equipped with fume treatment facilities that remove harmful particles from emissions before releasing them into the atmosphere.

The long steel plant, spanning 750 acres, features two rainwater reservoirs covering over 50 acres.

The flat steel unit occupies 300 acres.

The long steel plant alone requires nearly 200,000 litres of water per hour -- enough to fill two Olympic-sized swimming pools daily.

Instead of depleting groundwater resources, AKS depends on rainwater harvesting, as its two reservoirs on 50 acres in nearby hilly areas ensure a year-round water supply.

"Our commitment is to ensure that every drop of water used in our production cycle is either harvested or recycled," said Imran Momin, chief executive officer of AKS, during a recent media interaction at the Sitakunda facility.

"This not only reduces our environmental footprint but also sets an example for other industries to follow," he said.

To address air pollution at the steelmaking units, AKS has installed an advanced fume treatment facility that captures harmful particulates and neutralises pollutants before releasing them into the atmosphere.

Momin said this technology improves air quality, benefiting both workers and the surrounding community.

To further reduce its carbon footprint, AKS has also installed a 12-megawatt solar power facility for its steel factories.

"We do not see environmental responsibility as a burden but as a necessary investment for the future," Momin said. "Cleaner productions lead to long-term economic benefits, including energy efficiency and reduced waste."

For melting scrap, refining it and producing long steel, AKS also has Thermo-Mechanical Treatment (TMT) technology and an Electric Arc Furnace (EAF) refining facility.

Its factories are equipped with fume treatment facilities that remove harmful particles from emissions before releasing them into the atmosphere

Besides, the company operates the country's largest oxygen plant, optimising the steel refining process.

Since entering the flat steel manufacturing sector in 1993, AKS has continuously expanded its product range.

The company's production basket includes corrugated iron sheets (CI sheets), colour-coated steel, zincalume (aluminium and zinc-coated steel), galvanised plain sheets (GP sheets), cold-rolled coils (CR coils) and fibre sheets.

With an annual flat steel production capacity of 6.4 lakh tonnes, AKS products are widely used in both residential and industrial applications.

The company imports hot-rolled coils from Japan, Korea and China as raw materials for its flat steel factory.

The company's flagship brand, "Goru Marka Dhew Tin," a galvanised corrugated (GC) sheet, has been the leading local market brand for over 20 years.

Currently, AKS plans to introduce additional galvanising and colour-coating corrugated sheet lines to cater to both local and international markets, according to company officials.

At present, Bangladesh meets a large portion of its flat steel demand for the electronics and automobile industries by imports from China and India.

AKS looks to reduce this dependency by increasing domestic production. Company officials said AKS is making significant investments in new facilities and infrastructure to achieve this goal.

With the addition of unit-2, the consolidated annual long steel production capacity will reach 3 million tonnes of reinforced steel bars, making AKS the largest steel-making plant in South Asia, according to AKS CEO Momin.

While AKS's main focus remains on meeting domestic demand, the company also sees export potential for its products.

With growing international recognition for Bangladeshi steel, AKS has already begun sending product samples for verification in the United States.

"Our policy is to first ensure that the local market is adequately supplied," said Momin. "However, any surplus production will be directed towards exports, strengthening Bangladesh's position in the global steel industry."

The CEO said, "Going green is not just a choice but a necessity for long-term success."

The company currently employs more than 5,340 people in its long steel division, with plans to add 1,800 more with the expansion of rolling unit-2.

As a conglomerate, Abul Khair Group employs more than 55,000 people across various industries.

Regulation without enforcement

MAHTAB UDDIN AHMED

Thinking about building your dream home in a prominent real estate compound? Brace yourself for a mountain of rules that, surprise, primarily benefit the authority. RAJUK's official regulations? Think of them as background noise. Disobey real estate company rules, and you might lose your roof. Meanwhile, local "tough guys" across town enforce their own "law" with truly more consistency than the country's actual rules, which exist for show. And guess what? The big fish in other industries do the same thing, taking full advantage of law enforcement whenever possible.

The Bangladesh Competition Act 2012 ensures fair competition, consumer protection, and market innovation. It created the Bangladesh Competition Commission (BCC) to combat anti-competitive practices like collusion, cartels, and dominance abuse. The act aims to prevent restrictive agreements, curb predatory power, safeguard consumers, and foster economic growth through transparent markets.

However, the BCC, formed in 2016, consists solely of administrative bureaucrats, lacking experts in law or economics -- a clear non-compliance with Section 7(3) of the act. Calls for reconstitution demand specialists to ensure the commission operates effectively. After all, fair competition needs referees well-versed in the rulebook.

For eight years, the BTRC was the sole regulator addressing competition, introducing the Significant Market Power (SMP) concept for one MNO and one tower company. However, this failed to support smaller players. In mobile financial services (MFS), the once-praised market leader is now seen as a competition barrier. Commodity discussions focus more on talk than action. Despite concerns, the central bank or commerce ministry hesitates to intervene while the BCC and other regulators remain silent. This inaction harms consumer welfare, allowing unchecked dominance in key markets and stifling fair competition, ultimately limiting consumer choices and innovation.

Many, including regulators, often misunderstand the purpose of competition law. During my tenure as CEO of a telecom company, the leading telecom operator was designated as having significant market power. However, some, including BTRC officials, argued the dominance was a result of being "smarter" and making faster strategic investments, like their fibre deal with Bangladesh Railway, questioning why success warranted regulatory intervention. Despite the SMP declaration, the leading MNO's market share remained unaffected.

This reflects a fundamental misinterpretation of competition law. It doesn't penalise success but prevents undue dominance that harms consumers and marginalises smaller competitors. Currently, other operators struggle to profit despite significant investments. If unchecked, Bangladesh risks following India's path, where 12 telecom providers consolidated into four, potentially shrinking further to two major players. This would allow the dominant player to dictate prices, harming consumers and deterring investors. Protecting smaller operators ensures a fair market, benefiting consumers and encouraging healthy competition and investment.

Competition authorities worldwide impose hefty fines to curb anticompetitive practices. The EU penalised Google, Microsoft and Intel billions while in the US, Apple paid $400 million for e-book price-fixing and airlines faced collusion fines. India's CCI enforces fair competition, fining Google $162 million (Android) and $113 million (Play Store), DLF $110 million for unfair homebuyer terms, and automakers $400 million for restricted spare parts.

Strengthen the BCC by appointing independent experts in law, economics, and industry. Establish transparent investigation guidelines, penalise violations swiftly, and encourage regulator collaboration. Conduct market studies to remove barriers, foster competition and safeguard consumer interests by ensuring fair prices and genuine choices through strict monitoring.

The BCC remains nothing more than a showpiece -- loud when needed but powerless in reality. While other countries actively crack down on big players, we are still debating if market dominance is just "smart business". Fair prices? Real innovation? Consumer protection? Keep dreaming. And let's not forget that both the biggest players in telecom and MFS are backed by NGOs, which aligns with the interests of today's NGO-minded advisors. So, it's safe to say the BCC will stay in its deep, comfortable sleep for a long time.

The author is president of the Institute of Cost and Management Accountants of Bangladesh and founder of BuildCon Consultancies Ltd

Dhaka stocks extend gain for sixth day

STAR BUSINESS REPORT

Dhaka stocks continued their gaining streak for a sixth consecutive trading day yesterday despite experiencing a lower turnover than that on the previous day.

The DSEX, the benchmark index of Dhaka Stock Exchange, gained 9.11 points, or 0.17 percent, to close at 5,179.17.

The country's premier bourse exhibited mixed performance across its other indices. The DSES index, which tracks Shariah-compliant companies, increased by 0.05 percent to 1,147 points. Conversely, the DS30 index, representing blue-chip firms, declined by 0.07 percent to 1,912 points.

Among the securities to undergo trade, 195 advanced, 147 declined, and 53 remained unchanged.

Despite posting gains, turnover declined more than 8 percent to Tk 429.65 crore at the end of yesterday's trading session. Metro Spinning topped the gainers' list, surging 10 percent, while Khulna Printing & Packaging saw the biggest drop, falling over 9 percent.

Services and real estate, non-bank financial institutions (NBFIs), and textiles were the top three sectors that closed in the positive territory. In contrast, paper and printing, ceramics, and food and allied were the top three that closed in the negative territory.

Large-cap sectors exhibited mixed performance. NBFIs experienced the highest gain of 2.16 percent, followed by fuel and power sector at 1.20 percent, and telecommunications at 0.38 percent.

Container transport remains suspended at Ctg port for second day

Drivers of prime movers go on fresh strike

STAFF CORRESPONDENT, *Ctg*

Container movement to and from Chattogram port remained suspended for the second consecutive day as transport workers again went on work abstention yesterday morning -- just four hours after they had withdrawn their previous strike.

Drivers of container-carrying prime movers resumed work at 6:00am yesterday after a 34-hour work abstention.

However, they once again stopped operating their vehicles at 10:00am, alleging that the district administration did not keep its word as it failed to meet one of the key demands made by the prime movers.

This development severely impacted the port's operations.

One vessel left the port yesterday after postponing its scheduled departure by a day, but it left behind a significant volume of export containers as they could not be transported to the port in time.

Three other vessels also deferred their scheduled departures yesterday.

The Colombo-bound vessel, AS Sicilia, had initially postponed its departure on Wednesday, expecting the stalemate to be resolved by nightfall so that it could receive a substantial volume of exports.

Transport workers again went on work abstention yesterday morning -- just four hours after they had withdrawn their previous strike. The photo was taken on Wednesday.
PHOTO: RAJIB RAIHAN

However, according to port sources, the vessel, which was scheduled to take a total of 786 TEUs (twenty-foot equivalent units) of export-laden containers, was only able to receive 545 TEUs.

Two other Colombo-bound vessels -- HR Shahare and HR Hera -- were also scheduled to depart the port yesterday.

An official of Karnaphuli Shipping, the local shipping agent of the two vessels, stated that HR Shahare, which berthed at the port jetty on Tuesday afternoon, had bookings for 900 TEUs of export-laden containers, but was only able to load 20 TEUs.

Not a single export container could be transported from private depots due to the non-operation of prime movers, the official added.

Meanwhile, HR Hera was only able to receive 30 TEUs out of its booked 200 TEUs.

Additionally, the Singapore-bound vessel Yuan Xiang Fa Zhan postponed its departure as only 8 TEUs of export containers out of the scheduled 60 could be loaded onto the vessel.