India's edible oil imports hit 4-year low

REUTERS, *Mumbai*

India's edible oil imports in February plunged to their lowest level in four years, led by declines in soyoil and sunflower oil imports, dragging inventories to their lowest level in three years, a leading industry body said on Tuesday.

Lower-than-normal imports for the second straight month have depleted stocks in the world's biggest buyer of vegetable oils. This could force India to increase purchases in the coming months, supporting Malaysian palm oil prices and US soyoil futures.

The country's palm oil imports last month rose 35.7 percent from January to 373,549 metric tons, the Solvent Extractors' Association of India (SEA) said in a statement.

India imported an average of more than 750,000 tons of palm oil every month in the marketing year that ended in October 2024, according to the SEA.

> **Lower-than-normal imports for the second straight month have depleted stocks in India, the world's biggest buyer of vegetable oils**

Imports of soyoil decreased 36 percent to 283,737 tons in February and sunflower oil imports fell 20.8 percent to 228,275 tons, the SEA said.

Lower shipments of soyoil and sunflower oil brought down the country's total vegetable oil imports last month by 12 percent to 899,565 tons, the lowest since February 2021, the SEA said.

Edible oil stocks in India have fallen by 14 percent from a month ago to 1.87 million tons on March 1, the lowest in more than three years.

India buys palm oil mainly from Indonesia, Malaysia and Thailand, while it imports soyoil and sunflower oil from Argentina, Brazil, Russia and Ukraine.

Palm oil and soyoil imports are likely to improve in March, as the industry has been trying to build stocks, said Rajesh Patel, managing partner at GGN Research, an edible oil trader.

Palm oil's share of total vegetable oil imports fell to 43 percent in the first four months of the current marketing year, which ends in October 2025, from 66 percent a year ago, the SEA said.

Workers load watermelons onto a tractor in a field in Charfesson, Bhola. Farmers in Patuakhali and Bhola call the juicy fruit their "green gold", as no other crop has yielded such high profits in such a short time.

PHOTO: MONIR UDDIN ANIK

Watermelon cultivation surpasses target

Still costing urban consumers thrice as much as farm-level rates

SUSHANTA GHOSH *and* **SOHRAB HOSSAIN**

Although watermelon cultivation has surpassed the target and farmers are celebrating a bumper yield this season, prices remain three times higher in major cities than at farm-level rates in Barishal—one of the largest watermelon-producing hubs in Bangladesh.

Still, farmers are happy with the prices, while consumers are frustrated at paying exorbitant rates to have the summer delight on their iftar platters.

Supply chain analysis and price comparisons show that it is not the farmers but the middlemen who are dictating the rates, as the fruit changes hands multiple times before reaching the retail market.

Across vast lands in the coastal regions of the southern districts of Patuakhali and Bhola, lush green watermelon fields dominate the landscape.

Farmers there call the juicy fruit their "green gold," as no other crop has yielded such high profits in such a short time.

Across the country, cultivation of the fruit nearly tripled in five years to 226,650 acres in the fiscal year (FY) 2022-23 from 85,500 acres in 2018-19. Accordingly, production rose about threefold to 36 lakh tonnes in FY23 from 13.67 lakh tonnes five years ago, according to the Department of Agricultural Extension (DAE).

Of the total, Barishal alone supplied around 27 lakh tonnes of watermelon in FY23.

According to watermelon growers in Barishal, favourable weather conditions have led to excellent yields, with larger-sized watermelons available in the market this year.'Green gold'

In Char Meghbhasan village of Char Fashion upazila in Bhola, farmers like Motahar Howlader have cultivated watermelons on 3.2 acres of land with an investment of Tk 400,000. He has already sold his harvest to wholesalers for Tk 650,000 and expects around 5,000 watermelons from his field.

Large watermelons are being sold for Tk 120-130 each, while medium-sized ones fetch Tk 80-100.

Howlader said that as the land does not belong to him, he will have to pay the rent, which is Tk 20,000-30,000 per 1.6 acres, from the sales. Besides, production costs range from Tk 150,000-200,000 per 1.6 acres.

Wholesale watermelon trader Delwar Hossain, who has purchased 48 acres of watermelon fields, said he paid Tk 390,000-420,000 per 1.6 acres.

He expects each 1.6-acre plot to produce 2,400-2,500 watermelons, mostly of large and medium sizes.

> **Supply chain analysis and price comparisons show that it is not the farmers but the middlemen who are dictating the rates, as the fruit changes hands multiple times**

Large 8-10 kg watermelons are being sold wholesale for Tk 250-300 each, while medium-sized 4-5 kg watermelons go for Tk 160-170. Hossain said that transport losses, port fees, and other logistics costs contribute to the high retail prices.

Despite relatively lower farm-level prices, watermelons reach Dhaka and other retail markets at three times the price.

In Barishal's wholesale markets, traders like Ganesh Dutta reported selling 7-8 kg watermelons for Tk 350-375, later reaching Tk 450-500 in retail markets.Ramadan demand in price metrics

Similar to Bhola, watermelon farmers in Patuakhali's Galachipa and Rangabali upazilas are expecting profits due to high demand during Ramadan.

In Amkhola village of Galachipa, farmer Barek Mridha (55) cultivated watermelons on 111 acres of land. "I am selling watermelons at an average of Tk 10 lakh per acre," he said.

Likewise, farmers like Md Motaleb Pyada (40) and Bariul Islam (45) in Suhuri village cultivated 74 acres and 37 acres, respectively.

Wholesale buyers from Dhaka have already secured their produce in advance. Large watermelons are selling for Tk 300 per piece.

In Kaukhali village of Rangabali, the region's largest watermelon farmer, Mojibur Rahman (45), said this season's yield is better than last year.

Meanwhile, Kalam Pyada (40) from North Char Montaz village has already sold Tk 15 lakh worth of watermelons and expects another Tk 40-50 lakh in sales.Intermediaries drive up retail prices

According to the Department of Agricultural Extension (DAE) in the Barishal region, watermelon cultivation this year exceeded the target by 4,620 acres. The goal was 118,700 acres, but actual cultivation reached 123,300 acres.

Patuakhali alone accounts for 60 percent of Barishal's total watermelon cultivation, with an increase of 11,735 acres compared to last year.

The average yield per acre stands at 21 tonnes. In Patuakhali, 6-7 kg watermelons are selling wholesale for Tk 240-300 per piece, but retail prices soar to Tk 400-500 per piece.

Shamim Ahmed, training officer of DAE Bhola, said that 3,350 acres of land were used for watermelon farming this year, with similar productivity levels of 21 tonnes per acre.

"In Mojarchar, we found watermelons weighing up to 12 kg, selling for Tk 300 each. In Bhola, watermelons can reach 22 kg, offering significantly higher rates for growers," he said.

Md Nazrul Islam Sikder, additional director of DAE, Barishal region, said that 65 percent of the country's total watermelon supply comes from Barishal.

He said intermediaries at multiple levels significantly drive up retail prices.

"Farmers sell at relatively low prices, but by the time watermelons reach Dhaka, Chattogram, Faridpur, and other markets, the price triples," he added.

No more advance tax on import of cancer drug raw materials

STAR BUSINESS REPORT

The National Board of Revenue (NBR) has exempted advance tax on the import of raw materials used to manufacture cancer drugs, according to a notification issued earlier this month.

The move follows a decision by the income tax department under the NBR to reduce the tax at source on the import of ingredients for oncology medicines from 5 percent to 2 percent. The measure aims to lower production costs and drug prices, a step welcomed by manufacturers.

Cancer drug manufacturers previously had to pay a 5 percent advance tax (AT) under the value-added tax (VAT) system to import these ingredients, said Barrister Md Bodruzzaman Munshi, second secretary in charge of the VAT Act and Rules at the NBR.

"Now, the AT will no longer apply to them," he said.

"The government is working to improve cancer treatment and make medicines more affordable. If cancer drugs are produced locally instead of being imported, prices may decrease," he added.

Officials said the NBR provided the tax and VAT benefits based on recommendations from the health ministry.

The initiative comes at a time when cancer prevalence is rising in Bangladesh, and several pharmaceutical companies are manufacturing oncology products for both domestic and export markets.

Currently, the cancer prevalence rate in the country stands at 106 cases per 100,000 people, with a higher incidence among males.

Cancer accounts for 11.9 percent of all deaths in Bangladesh annually, according to a study conducted last month by Bangabandhu Sheikh Mujib Medical University.

The study also revealed that 52.9 new cases are reported per 100,000 people each year.

Postal Department to reclaim illegally-occupied properties

STAR BUSINESS REPORT

Efforts will be made to reclaim the properties of the Postal Department that have been illegally occupied over time, said Faiz Ahmad Taiyeb, special assistant to the chief adviser for the post and telecom ministry.

A digital inventory of its assets should be created, he said while addressing a meeting with officials of the Directorate of Posts at the Dak Bhaban in the capital's Agargaon yesterday.

He emphasised the importance of enhancing the institutional capacity of the Postal Department in line with the demands of digital transformation.

Taiyeb also instructed officials to ensure quality control in all construction projects of the department and to assess the standards of equipment and software used.

Regarding project approvals, he stated that no project would be approved without an exit plan. The quality of Development Project Proposals must be ensured in new initiatives.

He directed officials to explore the feasibility of delivering government services to citizens' homes through the Postal Department instead of requiring them to visit offices.

Additionally, he urged them to study successful service models not only from Europe but also from neighboring countries like India and Pakistan.

During the meeting, a comprehensive overview of the activities of the Directorate of Posts was presented. Md Mushfiqur Rahman, secretary of the posts and telecommunications division, presided over the discussion.

Other officials from the Directorate of Posts were also present.

Trump's tariffs create the 'Wild West' on Wisconsin's factory floors

REUTERS, *Wisconsin*

AriensCo - a manufacturer of bright orange snowblowers - has braced for the cold blast of tariffs since November.

"I mean, he campaigned on tariffs," said Nicholas Ariens, president and chief operating officer of the family-owned manufacturer in Brillion, Wisconsin, referring to President Donald Trump's frequent vows to boost import taxes if elected, "so we've basically been preparing since the election."

That's included contacting all their suppliers to assess those firm's exposure to tariffs. AriensCo makes most products in its US plants with mostly US materials, but could end up paying more for raw materials like steel and imported components, while its exports to places like Canada could get hit with counter tariffs.

Wisconsin is one place where a full-on trade war could be particularly painful given its economy's close ties with Canada and the fact that it's a key political prize that has been determinative of who gets the White House and has swung back and forth between the two parties in recent elections.

Ariens said there isn't much real action the company could take so far, other than stock up a bit on a few commodities, given uncertainty about how the looming trade battles would unfold.

Industrial America is now making those calculations. And the numbers don't look good. Many manufacturers, including the Detroit automakers, have rushed to Washington to plead for delays or exemptions, creating a free-for-all atmosphere as new tariffs are announced, then rescinded or modified within days, as demonstrated with last week's temporary reprieves for automotive products and other goods covered under the US-Mexico-Canada Agreement on trade.

The specter of ever-mounting tariffs has roiled stock sending the S&P to its lowest level since September and wiping out the "Trump Bump" that stocks saw after the election. It's also sparked worries about a new pulse of inflation that could complicate the Federal Reserve's efforts to tame price increases and get inflation back to its 2 percent target.

But the mood among manufacturers in Wisconsin, a swing state that voted for Joe Biden in 2020 but then jumped to Trump last fall, is so far surprisingly chill. The state is populated with key Republican constituencies, including farmers, who are counting on favorable treatment even as Trump implements trade policies set to roil the local economy.

"We're definitely not panicked," Ariens told Reuters at his main plant in the small Wisconsin town where the business has operated for 91 years.

'NOT SHAKING IN OUR BOOTS'

One reason may be that supply chain disruptions have become more routine. The tariffs on China during the first Trump administration caught many by surprise. As manufacturers rushed to adjust, including a scramble by many global producers to move out of China to other low-cost countries like Vietnam or Mexico, they were hit with the onset of the Covid pandemic, which created even more pressure to rethink where to have things made.

Workers install parts on a hay rake, used by farmers to collect hay or straw into rows for easier baling, inside Kuhn North America's factory in Brodhead, Wisconsin on March 6.

PHOTO: REUTERS

Nick Pinchuk, CEO of high-end tool maker Snap-On in Kenosha, said any tariffs will add to his costs, hamper exports of his company's trademark tools to Canada, and generally create unneeded turbulence. Still, he added, "We're not shaking in our boots."

Pinchuk likes to say they're not immune to tariffs because they do sell tools in Canada, but they are resistant.

Wisconsin is a frontline in this trade war, especially as it relates to nearby Canada. In 2024, the state exported $7.9 billion worth of goods to its northern neighbor, everything from farm machines to car parts - more than shipments by the state's manufacturers to Mexico, China, Germany and Australia, according to the Census Bureau.

The state is also exposed at the gas pump. Trump's Canadian tariffs include 10 percent on energy, much of which is not eligible for the one-month waiver. Wisconsin gets much of its oil and gas from Alberta, funneled into the state's sole refinery in Superior. Underlining Wisconsin's northern exposure: That refinery is owned by Canadian oil and gas producer Cenovus Energy.

Kurt Bauer, president of Wisconsin Manufacturers & Commerce, said tariffs will drive up energy costs for manufacturers, farmers, and shippers. He said experiences of recent years are guiding their response now.

"Covid was really a test that showed how resilient and nimble companies could be," he said.

HIGHER PRICES

KI, a contract furniture maker based in Green Bay, will need to be nimble. It produces most of what it sells in its five US plants. It also has a factory in Ontario that's responsible for about $50 million of the company's $800 million in sales, and 90 percent of those sales go as exports to the US.