

Prime Bank signs payroll banking deal with ESDO

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Prime Bank PLC has recently signed a payroll banking agreement with Eco-Social Development Organisation (ESDO), a non-governmental organisation in Bangladesh.

M Nazeem A Chowdhury, deputy managing director of Prime Bank PLC, and Muhammad Shahid Uz Zaman, founder and executive director of Eco-Social Development Organisation, signed the agreement at the latter's head office in Thakurgaon, according to a press release.

Under this agreement, Prime Bank will provide a modern, secure, and convenient payroll management system for the ESDO's employees. The strategic partnership is expected to pave the way

for further collaboration between the two organisations in the future.

Selima Akhtar, director (administration) of ESDO and principal head of branches (Northern region); Hasina Ferdous, vice-president and head of payroll banking at the bank; Md Abdul Halim, vice-president and regional head of branches (Northern region); and Selim Wahed Siddiqui, senior assistant vice-president and senior manager of payroll banking, attended the programme.

Sheikh Nur Alam, assistant vice-president and head of MSME and refinancing at the bank, and Abu Faruk Ahmed, manager of the Thakurgaon branch, along with other senior officials from both organisations, were also present.



Muhammad Shahid Uz Zaman, founder and executive director of Eco-Social Development Organisation, and M Nazeem A Chowdhury, deputy managing director of Prime Bank PLC, pose for photographs after signing the agreement at the former's head office in Thakurgaon recently. PHOTO: PRIME BANK

China exports up as EU, ASEAN offset US drop

AFP, Beijing

China's exports rose more than expected last month, with official data on Thursday showing a jump in shipments to the European Union and other markets offset a drop in those to the United States.

The figures come as Beijing and Washington navigate a shaky trade war truce and will provide a boost to the country's leaders as they look to kickstart an economy beset by weak domestic consumption.

The reading showed that exports jumped 7.2 percent in July, an improvement on the previous month and much better than the 5.6 percent forecast in a survey of economists by Bloomberg.

The report revealed that US-bound goods sank 21.7 percent year-on-year as Donald Trump's levies – while down from the eye-watering levels initially announced – kicked in.

However, exports to the European Union jumped 9.2 percent and those to the Association of Southeast Asian nations rose 16.6 percent.

Southeast Asia and China have deeply interwoven supply chains and Washington has long accused Chinese manufacturers of "transshipping" – having products pass through a country to avoid harsher trade barriers elsewhere.

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In another welcome signal for China's leaders, imports – a key gauge of struggling domestic demand – jumped 4.1 percent on-year in July, compared with a Bloomberg forecast of a one-percent fall.

Zhiwei Zhang, president and chief economist at Pinpoint Asset Management, said the data showed "exports supported the economy strongly so far this year".

"Export growth may slow in coming months, as the front loading of exports due to US tariffs fades away," he said.

"The big question is how much China's exports will slow and how it would spill over to the rest of the economy," he said.

Beijing has set an official goal of around five percent growth this year.

But it has struggled to maintain a strong economic recovery from the pandemic, as it fights a debt crisis in its massive property sector, chronically low consumption and elevated youth unemployment.

Factory output shrank more than expected in July, data showed last week, logging its fourth straight month of contraction in a further sign that trade tensions were hitting the export-dependent economy.

But the economic superpowers are working to reach a deal to lower trade tensions.

The two hammered out a 90-day truce in May, and last month in Stockholm agreed to hold further talks on extending the ceasefire past an August 12 deadline.

That pact has temporarily set fresh US duties on Chinese goods at 30 percent, while Beijing's levies on US products stand at 10 percent.



Iqbal Ahmed, chairman of NRB Bank PLC, inaugurates the programme at the bank's corporate head office in Dhaka recently to celebrate its 12th founding anniversary. PHOTO: NRB BANK

NRB Bank celebrates 12th anniversary

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NRB Bank PLC has recently celebrated its 12th year of operations, highlighting its sustained growth driven by digital innovation.

To mark the occasion, the bank organised a celebration programme at its corporate head office in the capital.

Iqbal Ahmed, chairman of NRB Bank PLC, inaugurated the event as the chief guest, according to a press release.

AKM Mizanur Rahman, chairman of the audit committee at the bank; Shaikh Md Salim, chairman of the risk management committee; Ferdous Ara Begum, SK Matiur and Prof Sharif Nurul Ahkam, independent directors; attended the event.

Tarek Reaz Khan, managing director and CEO at the bank, was also present, along with members of senior management team, division & department heads, head of branches and senior executives of the corporate head office and others colleagues of the bank.

Midland Bank organises half-yearly business conference

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Midland Bank PLC has organised a programme, titled "Half-Yearly Business Conference 2025", at the Nilufar Heights on Kemal Atatürk Avenue in the capital's Banani recently.

Divided into two segments, the conference hosted officials from retail distribution, cards, and ID and NRB services in the morning session, while representatives from institutional banking, SME, and treasury attended the evening session.

Md Ahsan-uz Zaman, managing director and CEO of Midland Bank PLC, inaugurated the event as the chief guest and presided over both sessions, according to a press release.

In his remarks, Zaman urged all employees to ensure excellence in service delivery and to support clients in achieving their financial goals, while

remaining compliant with regulatory guidelines, maintaining asset quality, recovering non-performing loans, and delivering value to shareholders.

Md Ahsan Khan Chowdhury, chairman of Midland Bank PLC, attended the evening session and delivered a motivational speech.

Didarul Islam, chief financial officer, presented the bank's overall business performance.

Md Zahid Hossain, deputy managing director and chief risk officer; Md Rashed Akter, head of retail distribution division and chief bancassurance officer; and Md Javed Tarek Khan, head of institutional banking; were also present, along with members of the senior management team, divisional heads, unit heads, regional managers of the institutional banking division, and heads of branches and sub-branches.



Md Ahsan-uz Zaman, managing director and CEO of Midland Bank PLC, poses for group photographs with participants of the "Half-Yearly Business Conference 2025" at the Nilufar Heights on Kemal Atatürk Avenue, Banani in Dhaka recently. PHOTO: MIDLAND BANK

Economic gains

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Besides, he criticised ministries for failing to draw up action plans that could have compelled the next government to pursue much-needed reforms after the election.

In an interview with The Daily Star on the first anniversary of the interim government, Raihan said, "Some progress could have been made over the past year. Now, looking back, I am not confident about the sustainability of the few successes we did see."

"I have mixed reactions on the performance of the interim government in the past year," said the economist, who also teaches economics at Dhaka University. He acknowledged some successes, especially in export earnings and remittances, describing them as "reasonably good". Inflation, which had stayed stubbornly high, has begun to ease.

"But it would be wrong to say we are in a comfort zone," he said, pointing to high rice prices and the likelihood of renewed inflationary pressure in the upcoming months.

"Another positive side is that we have managed to halt the fall in foreign reserves, and they have increased slightly," he added.

In contrast with the previous regime, large-scale corruption and widespread plundering have been brought under control, he said.

Yet, a more serious problem lies in the government's failure to restore investor confidence. "Business confidence has not been restored," said Raihan. "As a result, investors, especially private ones, are still very apprehensive. They are not investing."

This sluggish investment scenario is reflected in the poor growth of private

sector credit, which has remained among the lowest in recent years. Imports of capital machinery have dropped, the economist pointed out.

He attributed this to a combination of factors, including political instability. Sporadic incidents of mob violence throughout the year highlighted the government's struggle to ensure law and order.

He said this ambiguity has left investors uncertain, as they remain in the dark about the government's actual reform agenda.

"Will they continue the current practices, or bring major changes? This uncertainty is significant," said Raihan.

Investors look for stability and clear policy direction, along with a defined roadmap for political transition. In the past year, none of these have materialised, commented

Raihan, as he believes this has had a knock-on effect on the overall business climate, including job creation.

Two major reports, the White Paper Committee Report and the Task Force Committee Report by the interim government, had aimed to kick-start reforms.

"But there has been little follow-up," said Raihan. "We have not seen any real initiative based on these reports or the reform measures they suggested."

The white paper was drawn up by a 12-member committee led by prominent economist Debapriya Bhattacharya, a distinguished fellow at the Centre for Policy Dialogue (CPD). A second 12-member taskforce on economic strategy was also formed, and Raihan served on both.

"Despite these efforts, reform remains piecemeal," he said. "There has been no clear drive or mobilisation in

terms of reforms. Whatever the government has done is fragmented."

"What feels most painful is the unfulfilled promises of last August, that major changes were coming," Raihan added.

While he acknowledged that a year may not be enough to complete all reforms, he said the government could at least have launched the basic processes mentioned in the two reports.

"Ministries could have been instructed to prepare action plans. That would have at least pressured the next government to act," he said.

He also raised concerns about the national budget. "We all expected this year's budget to be somewhat different, especially with more allocation in health and education, and addressing the challenges faced by private investors," he said.

Unrealistic to expect

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in office, Haque said, "We are seeing some changes in various areas. But people are saying change is happening slowly. They expect changes overnight, but it is not possible." Haque said uncertainty usually holds back investment during transitional periods, which is exactly what the country is now experiencing.

"What we are hoping to see is the return of the rule of law. That is the big question. Its return is important," he said.

According to Haque, the interim government had a chance to move in the right direction, but may have overestimated what it could deliver in a limited timeframe.

"To evaluate the one year of the government fairly, we must look at the state of the economy they inherited," he said.

The BIDS DG said that the previous regime left a deeply corrupt and fragile system. "There was economic growth, but it did not have a sound foundation. Corruption was rampant, money was being laundered, and the banking sector was in serious crisis."

"Pulling the economy back from the brink was no small task. In that context, some progress has been made," he said.

However, setting aside the dire conditions of the past and looking only at GDP growth and investment over the past year, he admitted performance has fallen short.

There has been some improvement in the external sector, largely due to rising remittance inflows and curbed money laundering,

These trends have helped build foreign exchange reserves.

"When the dollar was allowed to float and its price rose, remittances increased, which is expected," he said.

But corruption, he commented, has not declined.

"This is something that should concern everyone. Advisers are no longer involved in corruption like before. Yet, why has not corruption gone down?"

He suggested that one reason could be the unchanged nature of the bureaucracy.

"Nothing has changed there. The same people are in place, doing the same things," he said.

Haque added that although money laundering may have reduced, there has been no meaningful reform in the banking sector.

"If we want to reform private banks, a proper regulatory framework is necessary. And I do not believe that will be fully completed under the tenure of the interim government."

Still, he believes that laying the legal groundwork for reform is essential and possible.

He also commented that while banks are no longer giving out loans indiscriminately, borrowers are not stepping forward either. "If they do not understand the long-term economic outlook, no one wants to invest. That means not everything is in the government's hands."

With elections approaching, Haque expects the interim government now to focus on building the foundation for a fair economy.

"It is very difficult for such a government to carry out major economic reforms. It is not easy to reassure the private sector during the tenure of such a government," he said.

"Political governments assume office for a longer term, which gives them the confidence to make decisions. But now, all investors are sitting quietly."

Haque believes the primary goal of the current government should be to create an economic structure where fairness prevails, and no individual or group can manipulate the system for personal gain.

"The core idea behind reform was to set up the principle that if people play fairly, they will not be harassed. That is important. It is important for economic actors to understand that no one can violate their economic rights. This applies to businesses, banks – all sectors."

Still, he pointed out, corruption and extortion continue. "Reducing corruption was a major part of economic reform, and work must be done in the areas where corruption happens. The Anti-Corruption Commission is working now. But to end corruption, efforts must be made in every corner."

With around six months left in its term, Haque said the interim government should focus on a few specific, achievable areas.

"If they can temper their expectations and work on a few specific areas, they should. At the very least, if they can build the foundation of reform, the next government will be able to carry it forward."

Investor confidence still fragile

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or institutional support? Costs of business are high, demand is low, interest rates are up, and even gas supplies are inconsistent. As a result, industries are slowing down, layoffs are rising, and unemployment is surging," he told The Daily Star in an interview marking one year of the interim government.

While he acknowledged improvements in some macroeconomic indicators, such as foreign exchange reserves and remittance inflows, he criticised the government for failing to deliver on its early reform pledges.

"The government came with the promise of reform, but so far, it has failed

to bring any structural change," Parvez said. "One year is a long enough time to show intent, but the confidence crisis has only deepened."

The government took charge at a time when the economy was already under severe stress, recalled the BCI president.

"High inflation, volatile exchange rates, dwindling forex reserve, and widespread institutional failure had eroded public trust during the previous regime," he said. "But there was hope that the interim government would stabilise the system, restore law and order, and prepare for a credible election."

However, the political

uncertainty has remained unchanged, and institutions like the judiciary, police, and regulatory bodies remain either inactive or under pressure, Parvez commented.

Inflation remains close to 9 percent, while both private and public investment have stalled, the BCI president said. He said that private sector credit growth fell to 6.4 percent in June, below the 7.2 percent target set by the Bangladesh Bank.

Parvez argued that the central bank's cautious stance, aligned with recommendations by the International Monetary Fund (IMF), had slowed industrial productivity without ushering in genuine

reform.

One area where he sees progress is in the banking sector, as he pointed to a rise in foreign reserves, greater stability in the currency market and improved monitoring of illicit capital flows. "The remittance flow is rising again, thanks to tighter monitoring on money laundering," he said. "It is a big success for the government."

However, non-performing loans had reached a record Tk 4.20 lakh crore by March this year, raising serious concerns about long-term creditworthiness and access to international finance, he added. According to Parvez,

the government's failure to engage with business leaders and economists had been a major setback.

"Every household is connected to business in some way. You cannot make economic policy without involving businesspeople," he said. "This government has not sat with us. They are listening to a handful of bureaucrats and blindly following IMF guidelines without ground-level understanding."

The top chamber leader added that frequent bureaucratic reshuffles and confusion in decision-making had shaken morale within public institutions, further weakening governance.