Dhaka Stocks fall for seventh day

STAR BUSINESS REPORT

The benchmark index of the Dhaka Stock Exchange closed slightly lower yesterday, extending its bearish run for the seventh consecutive day.

The DSEX, the main index of the bourse, declined by 1.11 points, or 0.02 percent, to settle at 5,314.33.

However, other indices posted positive performances before the end of the day's trading. The Shariah-compliant DSES increased 0.28 percent to 1,155.81, while the DS30, comprising blue-chip shares, inched up 0.28 percent to close at 2,057.16.

Meanwhile, turnover, a key gauge of investor participation, rose to Tk 704.88 crore, up from Tk 666.51 crore in the previous session.

A total of 212,926 trades were executed, while block transactions amounted to Tk 9.61 crore across 31 scrips.

Market breadth was negative, with 121 stocks advancing, 203 declining, and 74 remaining unchanged.

Onion prices fall in wholesale after import announcement

SUKANTA HALDER and SUZIT KUMAR DAS

Wholesale onion prices fell yesterday, soon after the commerce adviser announced the government's plan to approve imports to tackle the recent surge in the bulb's prices across the domestic market.

On Tuesday, the kitchen staple was at Tk 75 a kilogramme at the wholesale level. By yesterday, that had dropped to Tk 65-66.

Retail prices, however, remain unchanged at Tk 75 to Tk 85 a kilogramme.

Wholesalers say many farmers and district-level traders, who stocked onions after the April harvest, slowed their release to the market. This, they claim, pushed prices up in recent weeks.

"Onions have not been available in adequate quantities to meet demand for more than three weeks," said Mohammad Abdul Mazed, general secretary of the Shyambazar Onion Wholesalers Association, one of Dhaka's largest wholesale markets.

In Faridpur, a key onion-producing district, prices fell by Tk 200-300 per maund (40 kg) following the import announcement. On Tuesday, onions sold for Tk 2,800-3,000 per maund, dropping to Tk 2,500-2,800 yesterday.

Shahadat Hossain, senior market officer at the Department of Agricultural Marketing in Faridpur, said farmers and large traders were not supplying enough onions to meet demand, in an attempt to drive prices higher.

Over the past three weeks, prices have risen steadily as traders accused farmers and district-level suppliers of holding back stocks to secure better returns.

At kitchen markets in the capital, locally grown onions are selling for Tk 85-90 a kilogramme, up from Tk 60-65 just a week ago, according to traders.

Trading Corporation of Bangladesh (TCB) data shows retail prices in Dhaka stood at Tk 75-85 on Tuesday, up by more than 33 percent compared to a month earlier. A year ago, onions were at Tk 110-120.

In April this year, Agriculture Secretary Emdad Ullah Mian told The Daily Star that a fair retail price for farmers should be around Tk 60 a kilogramme.

According to the agriculture ministry, production costs for farmers last season ranged from Tk 35 to Tk 48 a kilogramme. Seeds are sown in December, and onions start reaching markets around March or April.

Many consumers say a sudden rise of Tk 20-25 per kilogramme is unreasonable, especially since harvesting was completed in April.

The Department of Agricultural Extension estimates last season's harvest at over 39 lakh tonnes, which should meet domestic needs. However, it projects imports of another 6-7 lakh tonnes will be necessary to cover post-harvest losses.

On Tuesday, Commerce Adviser Sk Bashir Uddin said imports would be allowed to bring down prices in the local market.

"We will import onions from wherever we can get them at a lower price. We will import only as much as is necessary to bring prices down. There is no specific country fixed for this," he said.

Onion prices have soared in recent days in the retail market, although wholesale prices declined after the government announced easing of import rules. The photo was taken at the Town Hall Market, Mohammadpur yesterday. PHOTO: PRABIR DAS

Fading female hands in AI era

MAMUNUR RAHMAN

"They built the brand that put Bangladesh on the map. They stitched our way into export dominance. And now, the very women who powered this success are being quietly pushed out."

A feminist economist told me this recently, her frustration sounding like a warning bell. For decades, women were the heartbeat of Bangladesh's ready-made garments industry, once making up 80 percent of its workforce. Today, that figure has slipped to 60 percent. With the advance of the Fourth Industrial Revolution, it is women who are being switched off first.

This is not an isolated trend. A recent Daily Star report revealed a national loss of 2.1 million jobs in the first half of the fiscal year, with women accounting for 85.7 percent of those losses.

It is no coincidence. This is the predictable result of policy neglect in the face of technological disruption. Bangladesh sits on a demographic opportunity, with 47 percent of its population under 25 and 65 percent under 35. Two million young people enter the job market every year, yet women make up only one-third of the labour force.

According to the Labour Reform Commission, women's participation in formal skill development courses has dropped from 41 percent in 2016 to 33 percent in 2024. The figures for higher-level vocational training are worse: only 12 percent of students in higher secondary vocational tracks are female, and in polytechnic diploma programmes, the figure is 14 percent. For senior executive development courses, the kind that feed management pipelines, the number is a mere 9.7 percent. The government's target for 2028 is a modest 15 percent.

These are not just numbers; they are warnings. Each AI-powered machine added to a production line takes a low-skilled job, which has long been a feminine domain.

Meanwhile, our competitors are moving ahead. Vietnam, Cambodia, and Indonesia are integrating AI training into national technical and vocational education and training curricula, offering targeted scholarships for women in technology, and building female-led innovation hubs. Here, the Ministry of Women and Children Affairs, tasked with championing women's economic empowerment, has failed to grasp the urgency of this shift.

That competitive edge, often described as "collective efficiency", came from the human coordination, reliability, and trust on a female-driven production floor. Now, as machine-led productivity takes over, our exports risk losing both speed and soul. The US market, which buys more than $9 billion of our garments annually, will not be saved by a 20 percent reciprocal tariff if our core workforce is hollowed out.

Yet solutions exist. Forward-thinking factories, working with the Ella Alliance, are creating new roles such as "AI Quality Assurance Partner", where women supervise intelligent visual inspection systems. Platforms like Digital Dorji Apa enable female tailors to sell bespoke designs globally using AI-powered customisation tools. These models show that women can adapt and lead in an automated economy if given proper training, technology, and institutional support.

What we lack is scale and urgency. While some skills projects set a target of 30 percent female participation, many courses remain in the low teens. In some technical trades, women's share is as low as 2 percent.

Bangladesh can turn this around. It requires a political choice: to treat women's skilling not as charity but as core economic policy.

This means binding gender quotas in vocational and technical programmes, funding women-led tech initiatives, aligning industry and academia to create AI-era curricula, and ensuring every factory that invests in automation also invests in human retention.

If we fail, the women who built our garment industry will watch from the sidelines as it moves on without them. And we will lose more than jobs. We will lose the very hands that stitched Bangladesh's place in the world.

The writer is coordinator of Ella Alliance and founder of Ella Pad

Summit Power to sell Narayanganj plant

STAR BUSINESS REPORT

Summit Power Ltd has signed an agreement with Sabson Energy FZCO of the United Arab Emirates (UAE) for the sale and re-export of its Narayanganj Unit I, a 102-megawatt heavy fuel oil-fired power plant.

In a disclosure on the Dhaka Stock Exchange (DSE) website yesterday, the private sector power generation company said the plant commenced commercial operation on April 1, 2011. Following two contract renewals, the latest agreement for electricity supply to the Bangladesh Power Development Board (BPDB) expired on March 22, 2024.

Although the plant resumed operation for another two years based on BPDB's consent letter dated April 29, 2024, under a "No Electricity No Pay" tariff model, no power has been dispatched since August 19, 2024.

Summit Power has since obtained a no-objection certificate from the BPDB stating that there is no further scope for renewing the power purchase agreement and that the plant's operational lifespan in Bangladesh has ended.

India reels from US tariff hike threat

REUTERS, *Mumbai*

Indian exporters are scrambling for options to mitigate the fallout of US President Donald Trump's threatened tariff salvo against the world's most populous nation.

Many warn of dire job losses after Trump said he would double new import tariffs from 25 percent to 50 percent if India continues to buy Russian oil, in a bid to strip Moscow of revenue for its military offensive in Ukraine.

"At 50 percent tariff, no product from India can stand any competitive edge," said economist Garima Kapoor from Elara Securities.

India, one of the world's largest crude oil importers, has until August 27 to find alternatives to replace around a third of its current oil supply from abroad.

While New Delhi is not an export powerhouse, it shipped goods worth about $87 billion to the United States in 2024.

That 50 percent levy now threatens to upend low-margin, labour-intensive industries ranging from gems and jewellery to textiles and seafood.

The Global Trade Research Initiative estimates a potential 60 percent drop in US sales in 2025 in sectors such as garments.

Exporters say they are racing to fulfil orders before the deadline.

"Whatever we can ship before August 27, we are shipping," said Vijay Kumar Agarwal, chairman of Creative Group. The Mumbai-based textile and garment exporter has a nearly 80 percent exposure to the US market.

But Agarwal warned that is merely triage.

Shipping goods before the deadline "doesn't solve" the problem, he said.

"If it doesn't get resolved, there will be chaos," he said, adding that he's worried for the future of his 15,000 to 16,000 employees.

"It is a very gloomy situation... it will be an immense loss of business."

Talks to resolve the matter hinge on geopolitics, far from the reach of business.

Trump is set to meet Vladimir Putin on Friday, the first face-to-face meeting between the two countries' presidents since Russia launched its full-scale invasion of Ukraine in February 2022.

New Delhi, with longstanding ties with Moscow, is in a delicate situation.

Since Trump's tariff threats, Prime Minister Narendra Modi has spoken to both Putin and Ukrainian President Volodymyr Zelensky, urging a "peaceful resolution" to the conflict.

The Global Trade Research Initiative estimates a potential 60 percent drop in US sales in 2025 in sectors such as garments

Meanwhile, the US tariff impact is already being felt in India.

Businesses say fresh orders from some US buyers have begun drying up -- threatening millions of dollars in future business and the livelihoods of hundreds of thousands in the world's fifth biggest economy.

Among India's biggest apparel makers with global manufacturing operations, some are looking to move their US orders elsewhere.

Top exporter Pearl Global Industries has told Indian media that some of its US customers asked that orders be produced in lower-duty countries such as Vietnam or Bangladesh, where the company also has manufacturing facilities.

Major apparel maker Gokaldas Exports told Bloomberg it may boost production in Ethiopia and Kenya, which have a 10 percent tariff.

Moody's recently warned that for India, the "much wider tariff gap" may "even reverse some of the gains made in recent years in attracting related investments".

India's gems and jewellery industry exported goods worth more than $10 billion last year and employs hundreds of thousands of people.

"Nothing is happening now, everything is at a standstill, new orders have been put on hold," Ajesh Mehta from D. Navinchandra Exports told AFP.

"We expect up to 150,000 to 200,000 workers to be impacted."

Gems, and other expensive non-essential items, are vulnerable.

"A 10 percent tariff was absorbable -- 25 percent is not, let alone this 50 percent," Mehta added.

"At the end of the day, we deal in luxury products. When the cost goes up beyond a point, customers will cut back."

Seafood exporters, who have been told by some US buyers to hold shipments, are hoping for new customers.

"We are looking to diversify our markets," says Alex Ninan, who is a partner at the Baby Marine Group.

"The United States is totally out right now. We will have to push our products to alternative markets, such as China, Japan... Russia is another market we are really looking into."

Ninan, however, warns that is far from simple.

"You can't create a market all of a sudden," he said.

US deficit grows to $291bn in July

REUTERS

The US government's budget deficit grew nearly 20 percent in July to $291 billion despite a nearly $21 billion jump in customs duty collections from President Donald Trump's tariffs, with outlays growing faster than receipts, the Treasury Department said on Tuesday.

The deficit for July was up 19 percent, or $47 billion, from July 2024. Receipts for the month grew 2 percent, or $8 billion, to $338 billion, while outlays jumped 10 percent, or $56 billion, to $630 billion, a record high for the month.

The month of July this year had fewer business days than last year, so the Treasury Department said that adjusting for the difference would have increased receipts by about $20 billion, resulting in a deficit of about $271 billion.

Net customs receipts in July grew to about $27.7 billion from about $7.1 billion in the year-earlier period due to higher tariff rates imposed by Trump, a Treasury official said. These collections were largely in line with the increase in June customs receipts after steady growth since April.

Trump has touted the billions of dollars flowing into US coffers from his tariffs, but the duties are paid by companies importing the goods, with some costs often passed on to consumers in the form of higher prices.

Consumer price index data on Tuesday showed increases in prices for some tariff-sensitive goods like furniture, footwear and auto parts, but they were offset by lower gasoline prices in the overall index.

For the first 10 months of the fiscal year, customs duties totaled $135.7 billion, up $73 billion, or 116 percent, from the year-earlier period.

US consumer inflation holds steady but tariff risks persist

AFP, *Washington*

US consumer inflation held steady in July, with an uptick in underlying price pressures that could spell trouble for President Donald Trump and his promises of an economic boom.

The 2.7 percent consumer price index (CPI) figure was probably not high enough to derail a potential interest rate cut in September, but Trump responded with yet another direct attack on Federal Reserve chair Jerome Powell, whom he blames for not lowering rates fast enough.

In a separate Truth Social post, Trump claimed that "even at this late stage, Tariffs have not caused Inflation."

But analysts warn that the pass-through from Trump's duties is not yet complete.

CPI rose 2.7 percent from a year ago in July, the same rate as in June, said the Department of Labor on Tuesday.

But, excluding the volatile food and energy segments, "core" CPI in July accelerated to 0.3 percent on a month-on-month basis, up from a 0.2 percent rise before.

From a year ago, underlying inflation rose 3.1 percent, picking up pace too from 2.9 percent in June.

"Many companies have announced plans to pass along higher costs to their customers soon," said Navy Federal Credit Union chief economist Heather Long.

"It's only a matter of time before more goods become more expensive," she added in a note.

Analysts are closely watching CPI numbers amid increasing fears over the reliability of economic data from the Trump administration, which fired the head of the Bureau of Labor Statistics recently after a jobs report showed significantly lower hiring numbers.

They are also monitoring for weakening amid Trump's trade war, as he tries to reshape the global economy.

The president has ordered a 10 percent tariff on goods from almost all trading partners. For dozens of economies including Japan, South Korea and the European Union, this level rose to various higher rates last Thursday.

Sectors that have been targeted individually -- or are under investigation by officials -- have been spared from these countrywide levies so far. But Trump has been progressively imposing steep duties on different sectors.

"Brace for more price hikes as we move into late summer and early fall," said KPMG chief economist Diane Swonk.

"The pass-through of the most recent rise in tariffs is expected to be faster than the initial round because there was less time to stockpile," she added.

While Swonk believes a September interest rate cut remains possible, she expects this would only happen if "if we see much weaker demand, notably from the labor market, between now and then."

CME's FedWatch tool has investors seeing a 92.2 percent chance of a quarter-point cut at the Fed's next policy meeting in September.

A woman carries shopping bags as customers visit the American Mall dream mall in East Rutherford, New Jersey, US. From a year ago, underlying inflation rose 3.1 percent, picking up pace too from 2.9 percent in June. PHOTO: AFP/FILE