

Star BUSINESS



Logistics costs eat up 16% of GDP

Says World Bank official as the global average stands at 10%

STAR BUSINESS REPORT

Bangladesh spends as much as 16 percent of its gross domestic product (GDP) on moving goods from factories to customers, far above the global average of 10 percent, according to a senior World Bank official.

She said this burden is eroding the country's trade competitiveness and discouraging investment.

Nusrat Nahid Babi, senior transport specialist at the World Bank's Dhaka office, made the remarks at a roundtable titled "Challenges, Opportunities and the Way Forward in the Logistics Landscape", organised by The Financial Express at Lakeshore Heights in Dhaka yesterday.

She said between 35 and 54 percent of these logistics costs are linked to inefficient transport systems. "Infrastructure remains so vulnerable that even light rain can disrupt highways and terminals," Babi noted.

IPDC ডিপোজিট | ১৬৫১৯

"Enough has been discussed. What is needed now is execution," she said, criticising the slow pace of reforms despite years of policy dialogue.

The World Bank official pointed to more than 62 regulatory bottlenecks, many of which she said could be resolved through better coordination rather than large-scale investment.

To cut expenses and improve performance, she urged timely project implementation, multimodal connectivity, digitalisation and logistics related skills development.

Babi also called for a national logistics council to bring agencies together and ensure coordinated action.

At the programme, Mohammed Yousuf, senior secretary to the Ministry of Shipping, said the government would finalise a national logistics policy within a month to overhaul the country's transport and port systems.

The goal, he said, is to attract more foreign direct investment (FDI) and ease export bottlenecks.

READ MORE ON B2

Ten non-banks lose Tk 1,079cr in H1

Their combined loss dwarfs Tk 178cr profit by six peers

AHSAN HABIB

Ten listed non-bank financial institutions (NBFIs) sank into a combined loss of Tk 1,079 crore in the first half of this year, an increase of 17 percent from the same period a year earlier.

The figure dwarfs the Tk 178 crore profit posted by six peers. It highlights the depth of crisis in the scam-hit sector that is grasping for air amid sweeping banking reforms.

Bangladesh has 35 NBFIs, of which 23 are listed. 16 have published their half-yearly data so far. Seven are yet to report, while another five remain irregular due to long-running financial troubles.

Phoenix Finance and Investments Limited recorded the steepest loss at Tk 468 crore, followed by Peoples Leasing and Financial Services Limited with Tk 189 crore, and FAS Finance and Investment Limited at Tk 147 crore.

Others in the red include First Finance Limited, MIDAS Financing PLC, Islamic Finance and Investment Limited, Bangladesh Industrial Finance Company Limited, Union Capital Limited, Bay Leasing and Investment Limited, and Fareast Finance and Investment Limited.

On the profit side, IDLC Finance led with Tk 111 crore, while DBH Finance contributed Tk 42 crore.

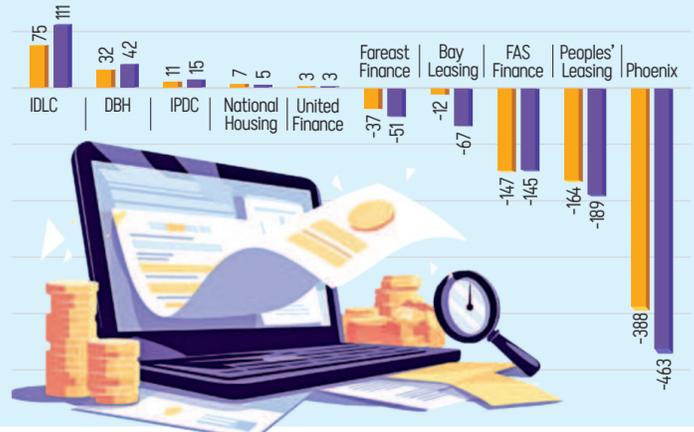
Years of weak governance and financial irregularities are responsible for the decline of the industry, according to Kanti Kumar Saha, vice-chairman of the Bangladesh Leasing and Finance Companies Association.

"If the financial institutions followed proper credit risk management guidelines, selected clients properly, and followed classification guidelines accurately, this situation might not have arisen," he added.

"So, many problems could have been avoided if the central bank's guidelines had been followed properly," Saha said.

Top five profit and loss making NBFIs

(In crore taka) Jan-Jun 24 Jan-Jun 25 SOURCE: FINANCIAL STATEMENTS



Unlike banks, which profit from deposits and interest spreads, NBFIs focus on leasing, venture finance, insurance, and capital market investment, drawing funds mainly from long term instruments and borrowings.

Saha said new loan classification rules for banks, which were introduced in April this year, had knock on effects across the financial sector. However, it did not directly hit the non-banks.

Rather, high inflation and rising interest rates are compounding pressures, he said. "Many borrowers are delaying loan repayments because of low market demand and a cash crunch. Even some of the good borrowers who never delayed in the past are now paying in instalments."

Saha, who is also chief executive officer of Alliance Finance PLC, said the Bangladesh Bank has now stepped in with liquidity support for 20 ailing NBFIs, aimed at restructuring and potential mergers.

Still, the regulator's immediate focus remains on the banking sector. "As the NBFIs sector's market size is comparatively small at 5 to 6 percent compared to the total financial sector. The NBFIs sector will be taken care of later," said Mohammad Shahriar Siddiqui, assistant spokesperson at the Bangladesh Bank.

Such neglect is not new, according to Shah Md Ahsan Habib, professor at the Bangladesh Institute of Bank Management.

READ MORE ON B3

Trust Bank PLC. A Bank for Financial Inclusion

Trust Retail Banking

PLAN, SAVE AND SHINE MAKE THE FUTURE FINE

TRUST SMART SAVERS SCHEME



16201

www.tbibd.com

TrustBankLtdBD

Import containers must move same day

NBR issues directives to ease Chattogram port congestion



A container being loaded onto a trailer at Chattogram port, where the National Board of Revenue has directed that all import containers bound for private inland container depots must be transferred on the day of unloading. The photo was taken at the port recently.

PHOTO: RAJIB RAIHAN

STAFF CORRESPONDENT, Ctg

The National Board of Revenue (NBR) has directed that all import containers destined for private inland container depots (ICDs) or off-docks must be transferred to the designated facilities on the very day they are unloaded from vessels at Chattogram port.

In a circular issued on August 14 and signed by Md Al Amin, second secretary of the NBR for customs, the revenue authority laid out two additional directives alongside the same day transfer requirement.

It specified that if, for valid reasons, all containers of a particular consignment

cannot be shifted to an off-dock on the first day, the remaining containers must be moved without delay on the following day.

In such cases, charges will only be applicable once the entire consignment has been transferred.

The NBR further instructed that where off-docks are unable to handle containers due to capacity shortages or other exceptional circumstances, the commissioner of Customs House, Chattogram, will retain the authority to approve "dual delivery," allowing importers to take delivery from both the port and the off-docks.

READ MORE ON B2

Corporate earnings likely to rebound 40%: CAL

STAR BUSINESS REPORT

Corporate earnings in Bangladesh are projected to rebound by around 40 percent by 2026, buoyed by falling inflation, easing global commodity prices, lower borrowing costs, and stronger sales, according to CAL Bangladesh's latest outlook, All Signals Green.

Earnings of manufacturing and services companies will rebound on volume growth, margin gains, and lower finance costs, the investment bank also said.

CAL forecasts corporate revenue growth of 16 percent year-on-year in 2025, supported by easing inflation. Gross margins are expected to rebound as import costs decline on the back of lower global prices and a stable taka.

Repricing of short-term debt is also set to reduce finance costs for highly leveraged companies, supporting earnings recovery.

DSE TO HIT 10,000-MARK

With corporate earnings strengthening and the macro-outlook improving, CAL expects equities to attract funds from other asset classes.

The report noted that with the market trading 50 percent cheaper in dollar terms and valuations at near 10-year lows, foreign investors are returning. A reversion to historical holding levels will lead to new inflows.

The report forecast that the Dhaka Stock Exchange (DSE) index will surpass the 10,000-point mark, an all-time high, within the next 18 to 24 months.

Calling the current environment a "Goldilocks scenario for equities," meaning stable growth with low inflation, CAL said Bangladesh could witness one of its strongest equity rallies in history.

The investment bank noted that macroeconomic indicators are already showing strong positive momentum, creating a stable and favourable environment.

Inflation has eased to 8.5 percent on the back of tight monetary policy and favourable global commodity trends.

Foreign reserves have reached a two-year high, providing critical support for a

READ MORE ON B2

July development spending below 1%

This time, we are thinking especially about the upcoming election in February. So, we aim to provide the RAPP in December or January.

Prof Wahiduddin Mahmud
Planning adviser



STAR BUSINESS REPORT

Development spending saw a sluggish start this fiscal year, as the expenditure stood below 1 percent of the total allocation at the end of July – a sign that irked Planning Adviser Prof Wahiduddin Mahmud.

"This is not a good sign," he told a press briefing at the planning ministry after a meeting of the Executive Committee of the National Economic Council (Ecne) yesterday.

Highlights

- Slow start to development spending
- Early revision of ADP likely
- Govt to give an outline of the entire budget for FY27

Project implementation was delayed due to various reasons last year. But this year, things should be moving fast, he said.

"Last year's excuses should no longer come," the adviser added.

He said the situation was particularly

concerning because this year's Annual Development Programme (ADP) was deliberately set at a "realistic" level to ensure implementation.

"That is our goal," he said.

Mahmud acknowledged that many projects were faced with disruptions, as new contractors were yet to be appointed in several cases. Many project directors have either been transferred or replaced, too, he said.

And this may be a reason for the sluggish progress, he said.

Mahmud urged all ministries to ensure that projects move forward, with no further excuses.

DELAYED REVISION OF ADP

The planning adviser said one of the persistent weaknesses in Bangladesh's planning process was the delayed revision of the ADP.

The revised ADP (RAPP) usually comes in March or April, when it becomes clear that some ministries have failed to utilise allocations while others have already exhausted theirs.

"This time, we are thinking especially about the upcoming election in February. So, we aim to provide the RAPP in December or January," he said.

"For that, of course, we will need an outline of the entire budget. Without an overall budget outline, it is impossible to determine how much can be allocated for annual development," said Mahmud.

READ MORE ON B3



নারীদের জন্য ব্যাংকিং

আপনার ভবিষ্যৎ জীবনকে
সুরক্ষিত করতে সঞ্চয় শুরু হোক
ঢাকা ব্যাংক অরুণি সেভিংস
অ্যাকাউন্টের সাথে

অ্যাকাউন্টটি খুলতে
স্ক্যান করুন



*শর্ত প্রযোজ্য

16474

DHAKABANK PLC.
EXCELLENCE IN BANKING

Astha reaches 10 lakh users, sets record transactions

STAR BUSINESS DESK

Astha, the digital banking application of BRAC Bank PLC, has reached a landmark 10 lakh users, cementing its position as one of the country's trusted digital banking platforms for everyday financial needs.

In July 2025, the app achieved a milestone by facilitating transactions worth Tk 20,000 crore in a single month, the highest ever recorded by any banking app in Bangladesh's financial sector, according to a press release.

This achievement not only underscores Astha's soaring adoption but also reaffirms BRAC Bank's leadership in driving digital innovation. Positioned at the forefront of Bangladesh's digital financial revolution,

Astha empowers customers to take full control of their finances anytime, anywhere.

Commenting on the success, Mokerrobin Mannan, chief digital officer of BRAC Bank, said: Crossing the 10 lakh user mark demonstrates how deeply the app has become embedded in people's daily lives. "It is not merely about banking; it is about financial inclusion, lifestyle convenience, and building a future-ready digital ecosystem," he added.

Astha now offers a suite of banking and lifestyle services in the industry. With just a few taps, customers can open bank accounts instantly via eKYC without visiting a branch, register using multiple credentials – account number, debit/credit card, or DPS number – and apply



seamlessly for loans and cards. The app also provides ATM, branch, and merchant locators to ensure greater convenience.

Users enjoy real-time fund transfers through NPSB, BEFTN, RTGS, Visa Direct and wallet partners, alongside bill payments, mobile top-ups, and both Bangla QR and bKash QR-enabled cashless payments – all without queues,

hidden fees, or physical bank visits.

Astha further enhances customer convenience through cardless ATM withdrawals via code, standing instructions for recurring payments (including bKash, Rocket, and insurance premiums), and its innovative 'bKash Pull Money' feature, enabling seamless wallet-to-account or wallet-to-credit card transfers.

US-India trade talks scheduled for Aug called off

REUTERS

A planned visit by US trade negotiators to New Delhi from August 25-29 has been called off, a source said, delaying talks on a proposed trade agreement and dashing hopes of relief from additional US tariffs on Indian goods from August 27.

The current round of negotiations for the proposed bilateral trade agreement is now likely to be deferred to another date that has yet to be decided, the source with direct knowledge of the matter said. The US embassy in New Delhi said it has no additional information on the trade and tariff talks, which are being handled by the United States Trade Representative (USTR).

India's trade ministry did not immediately reply to a Reuters email seeking comments.

Earlier this month, US President Donald Trump imposed an additional 25 percent tariff on Indian goods, citing New Delhi's continued imports of Russian oil in a move that sharply escalated tensions between the two nations.

The new import tax, which will come into effect from August 27, will raise duties on some Indian exports to as high as 50 percent – among the highest levied on any US trading partner.

Trade talks between New Delhi and Washington collapsed after five rounds of negotiations over disagreement on opening India's vast farm and dairy sectors and stopping Russian oil purchases.

India's Foreign Ministry has said the country is being unfairly singled out for buying Russian oil while the United States and European Union continue to purchase goods from Russia.

StanChart shares fall 9% after US calls for probe

REUTERS, London

Standard Chartered shares fell nearly 9 percent on Friday after a US Republican lawmaker wrote to the Attorney General, Pam Bondi, asking for a probe to be launched into the bank, claiming it was involved in sanctions evasion.

Elise Stefanik, a New York Republican, requested in a letter shared on the X social media platform and published on her website that a special attorney be appointed to look into Standard Chartered's alleged failings.

Stefanik said that an unspecified case against Standard Chartered was due to expire next week and urged action before that date.

Standard Chartered said in a statement that the underlying allegations in a long-running civil case were "entirely false" and had been rejected by US courts multiple times.

The claimant had been pursuing the claims since 2012, the bank has previously said.

"We expect the dismissal of this case will continue to be upheld on appeal," the bank said on Friday, adding it would fully cooperate with any relevant authorities and was committed to fighting financial crime.

The Attorney General's office did not immediately respond to a request for comment.

Prime Bank holds seminar on financial inclusion, youth empowerment



Prof Saiful Islam, vice-chancellor of American International University-Bangladesh, and M Nazem A Choudhury, deputy managing director of Prime Bank PLC, pose for group photographs at the seminar, titled "Financial Inclusion: Engaging & Inspiring Youth in Banking", on the university campus in Dhaka yesterday. PHOTO: PRIME BANK

STAR BUSINESS DESK

Prime Bank PLC, in collaboration with American International University-Bangladesh (AIUB) and its AIUB Business Club, organised a seminar, titled "Financial Inclusion: Engaging & Inspiring Youth in Banking", at the university campus in Dhaka yesterday.

The programme, conducted under the banner of PrimeAcademia – a flagship campus initiative of Prime Bank – is designed as a one-stop banking service platform tailored to the needs of academic institutions and their stakeholders across Bangladesh, according to a press release.

The seminar drew participation from more than 200 students representing a wide range of disciplines. It served as a dynamic forum to foster financial literacy, encourage responsible money

management, and inspire career exploration within the banking and financial services sector.

Students also had the opportunity to open accounts instantly, enabling them to experience modern, customer-friendly banking services first-hand.

Beyond promoting awareness of financial inclusion, the initiative sought to equip young participants with the knowledge and skills essential for employability, entrepreneurship, and leadership in a rapidly evolving economy.

The event further emphasised the importance of industry-academia collaboration. Both Prime Bank and AIUB expressed strong interest in strengthening their partnership through student-focused initiatives, collaborative research, and skill development programmes in the years ahead.

Bank Asia recognises top performers of 'Silver Jubilee Sales Campaign'

STAR BUSINESS DESK

Bank Asia PLC has recognised its employees for their exceptional performance in the "Silver Jubilee Sales Campaign" at an award-giving ceremony recently held at Bank Asia Tower in the capital's Karwan Bazar.

ANM Mahfuz, Additional Managing Director of Bank Asia PLC, presented the awards as the chief guest and encouraged the recipients to continue driving the bank's success in the future, according to a press release.

The "Silver Jubilee Sales Campaign"

was launched to strengthen retail CASA deposits, attract new retail customers, and accelerate credit card sales and activations.

A total of 30 branch-level employees were honoured with crests, certificates, and cash incentives in recognition of their outstanding contributions and active engagement.

Muhammad Mustafa Haikal Hashmi, SM Anisuzzaman and Syed Zulkar Nayen, deputy managing directors of the bank, along with other senior executives and officials, were also present.



ANM Mahfuz, additional managing director of Bank Asia PLC, poses for photographs with the award recipients of the "Silver Jubilee Sales Campaign" at Bank Asia Tower in the capital's Karwan Bazar recently. PHOTO: BANK ASIA



Md Abdul Latif, deputy managing director of Citizens Bank PLC, poses for group photographs with participants of a training programme on "Operations Guidelines on BACH & BEFTN" at its training academy in Dhaka recently. Mohammad Shafiqul Imdad, additional director of the Payment Systems Department at the Bangladesh Bank, conducted the event. PHOTO: CITIZENS BANK

Corporate earnings likely to rebound

FROM PAGE B1

stable taka, while lower government securities yields signal easing interest rates. Positive current account and balance of payments positions further reinforce this stability, boosting overall investor confidence, it added.

"The outlook for the equity market is equally encouraging."

The report projects that the DSEX holds up to 85 percent upside potential, drawing parallels with recent sharp rallies in markets like Pakistan and Sri Lanka, where indices surged more than 150 percent after similar macroeconomic

turnarounds.

Pakistan's Karachi All Share Index soared 214 percent in two years while inflation dropped, and Sri Lanka witnessed a 162 percent market return in the same period, it pointed out.

CAL Bangladesh projects the next two years as a pivotal period for the nation's capital markets, with the potential to attract both domestic and foreign investment at unprecedented levels.

It said the confluence of macroeconomic stability, strong corporate performance, and renewed investor confidence could propel the DSE into its most dynamic growth

phase to date.

The market went on a bull run following the national polls in 2008 after two years of interim government tenure. With elections likely to be held in early 2026, post-election political clarity will boost investor confidence.

"Current low valuations offer an opportunity to lock in elevated dividend yields," it said, adding that major listed consumer companies are trading at attractive valuations.

The financial intermediary forecasts that the exchange rate might remain within Tk 122-125 per dollar by next December, as both

the current account and balance of payments are expected to turn positive.

It expects inflation to fall to 6.5-7.5 percent by next December, driven by tight monetary policy and a high 2024 base. Inflation is therefore expected to hit a three-year low.

Interest rates will fall to single digits due to weak credit demand and strong real returns attracting inflows.

CAL Bangladesh, however, said political unrest, international conflict, and a possible recession from tariffs could affect major trading partners and the global economy.

Logistics costs eat up 16% of GDP

FROM PAGE B1

Yousuf said the draft policy identifies 62 coordination challenges across multiple agencies and sets out an action plan involving ministries, regulators and the private sector.

"We must boost logistics efficiency if we want serious foreign investment," he said, adding that Bangladesh's \$3 billion FDI inflow in 2023 was far behind India's \$250 billion and Vietnam's \$18 billion.

The senior secretary said the Chattogram port, which handles more than 90 percent of container traffic, was already operating beyond capacity.

Expansion is under way but moving slowly, he acknowledged. "The long-awaited Bay Terminal

project has gained traction, with the World Bank set to finance the breakwater. Tenders are expected within two months."

PSA Singapore, DP World of Dubai, and Saudi firm Red Sea Gateway Terminal have been shortlisted under a public-private partnership (PPP) model.

He also highlighted progress in port digitalisation, including e-document submission and an e-auction system for clearing abandoned containers.

Yousuf said there was a shortage of locomotives on the Dhaka-Chattogram rail route and suggested private operators might be allowed to carry freight there.

He added that a revised

tariff structure and a new licensing system for shipping agents were in the works, though legal obstacles remained.

A national logistics coordination meeting will take place in Chattogram later this month, alongside the release of a six-month performance review.

At the programme, top business leaders voiced concerns about persistent logistics challenges.

Mohammad Hatem, president of the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), warned that without urgent upgrades, the country's \$100 billion export target would remain out of reach.

He cited delays, mismanagement and rising demurrage charges, saying

containers were often held for days and illegal payments demanded.

The BKMEA president criticised the Chattogram Port Authority for raising service charges by 40 percent recently without consulting stakeholders.

He urged the government to bring in foreign experts, complete stalled projects such as the Pangaon terminal and expressways linking Gazipur, Ashulia and Narayanganj, and reform customs, banking and utility services.

Azam J Chowdhury, president of the Bangladesh Ocean Going Ship Owners' Association, criticised the government for neglecting the private maritime sector. "We operate 100 percent of the industry, yet

we are ignored."

Chowdhury called for a taskforce to tackle legal and bureaucratic hurdles, pointing to flaws in the 2020 coastal shipping ordinance, inconsistent customs practices and rising licensing costs.

He also warned that Bangladesh risked non-compliance with the International Maritime Organization's green fuel mandate by 2028.

M Masrur Reaz, chairman of Policy Exchange Bangladesh, urged the rapid implementation of more than 60 national logistics policy action points, including a multimodal logistics master plan and PPP-led port and rail projects.

He argued for lifting

foreign ownership caps in logistics and shifting implementation leadership to the shipping ministry.

"Logistics is no longer just infrastructure; it is an economic imperative," said the economist.

Prof Md Mamun Habib of Independent University, Bangladesh, delivered the keynote address.

Syed Ershad Ahmed, president of the American Chamber of Commerce in Bangladesh; Shamsuddin Chowdhury and Harun or Rashid, general secretary and member of the Bangladesh Container Shipping Association; Mohammad Sazzad Hossain, director of the Bangladesh Bank; and Shamsul Huq Zahid, editor of The Financial Express, spoke among others.

Import containers must move

FROM PAGE B1

Currently, 65 categories of imported goods are permitted for unstuffing and delivery through 19 private ICDs. More than 30 percent of import containers arriving at the port are transferred to these depots for delivery to consignees.

The circular noted that business bodies, industrial units, and stakeholders have recently complained of procedural complexities, delays, and inadequate off-dock capacity in handling import consignments.

Several ICD operators, however, argued that the congestion which plagued

the depots last month has eased considerably in recent weeks.

They attributed existing delays in bringing ICD-bound import containers mainly to acute congestion at the port yards.

"If the port authority could allocate designated space for ICD-bound containers within the port, it would greatly facilitate quicker transfers," said a senior executive of an ICD, requesting anonymity.

He further observed that the prevailing practice of transferring containers from the ship's hook point remains time-consuming.

OpenAI staff seek \$ 6b stock sale

REUTERS
Current and former employees of OpenAI are looking to sell nearly \$6 billion worth of the ChatGPT maker's shares to investors including SoftBank Group and Thrive Capital, a source familiar with the matter told Reuters on Friday.
The potential deal would value the company at \$500 billion, up from \$300 billion currently, underscoring both OpenAI's rapid gains in users and revenue, as well as the intense competition among artificial intelligence firms for talent.
SoftBank, Thrive and Dragoneer Investment Group did not immediately respond to requests for comment. All three investment firms are existing OpenAI investors.
Bloomberg News, which had earlier reported the development, said discussions are in early stages and the size of the sale could change.



Workers unload bricks from a vessel in Khulna. They have to work fast to take advantage of the low tide and this leaves them vulnerable to the risk of accidents. Working from morning till afternoon, each person can earn anywhere from Tk 600 to Tk 700. The photo was taken at No 1 Custom Ghat at the end of last month.
PHOTO: HABIBUR RAHMAN

US companies scale back investments in China

ANN/THE NATION
The World Economic Forum (WEF) has revealed the findings of the 2025 annual survey by the US-China Business Council (USCBC), highlighting growing concerns among US companies operating in China regarding the rise in tariffs and increasing trade volatility.
According to the USCBC survey, customs duties have become the second most urgent challenge for US companies, up from eighth place in 2024. Nearly 70 percent of companies have been directly affected by tariffs, while 88 percent have been impacted by the deteriorating US-China relations.
"American companies have drastically reduced investments in China to an all-time low, as trade tensions and tariffs continue to impact economic relations between the two largest economies in the world. Only 48 percent of US companies plan to invest in China this year, a significant drop from 80 percent in 2024," the report stated.
The survey also revealed that confidence in China's economic growth prospects has been steadily declining, with little hope for improvement in US-China relations.
The USCBC, a non-partisan, non-profit organisation representing over 270 major US companies doing business in China, conducted the survey from March to May 2025, during a period when former US President Donald Trump reignited the trade conflict between the US and China with efforts to reform US trade policies.
"The steep rise in tariffs after 2 April, coupled with prolonged negotiations, has shaken business confidence. Investment plans have been disrupted, and broader relations have deteriorated," the report continued.
The report noted that the escalating tensions are forcing companies to reassess their investment strategies in China due to structural economic challenges and political instability in recent years. As a result, many US companies are shifting their supply chains and reducing new investments in China in the near term.
The financial impact of the tariffs has also been significant. The survey found that more than a third of companies have lost sales due to US tariffs, and half of the respondents reported that Chinese customers have switched to non-US suppliers to avoid uncertainty.

Ten non-banks lose July development spending

FROM PAGE B1
Prof Habib said the sector "stands in a storm" yet has historically been overlooked.
He said, "Banks and non-banks are doing almost the same thing in Bangladesh, as banks are covering long-term finance too. The NBFI sector should get extra incentives over banks for long-term finance."
He also pointed to structural weaknesses. "NBFI need to get finance through issuing long-term bonds to give long-term loans. However, they are also depending on short-term deposits to give long-

term loans. It causes asset liability mismatch."
Prof Habib believes only a stronger stock market can support bond issuers and help restore the health of the sector.
Non-banks that are yet to publish their half-year reports include Uttara Finance and Investments Limited, Prime Finance and Investment Limited, Premier Leasing and Finance Limited, LankaBangla Finance PLC, Investment Corporation of Bangladesh, International Leasing and Financial Services Limited, and GSP Finance Company (Bangladesh) Limited.

FROM PAGE B1
At a minimum, the full budget should be outlined before the newly elected government assumes office, he said at the press briefing.
Mahmud also spoke about the projects approved at yesterday's meeting.
Some 11 projects involving Tk 9,362 crore got approval. Of those, five are new, three saw revisions with a rise in cost, while three others were granted deadline extensions without an increase in cost.

Of those, the "Environmentally Sustainable Water Supply" project, launched in 2014 by Dhaka Water Supply and Sewerage Authority, got a time extension. The project cost rose to Tk 13,824 crore, up by over Tk 2,800 crore.
Along with cost overruns, the project has faced repeated delays, raising concerns.
Mahmud said they discussed the issue of cost spiral and delays, and gave the nod to the time extension on condition that the Implementation

Monitoring and Evaluation Division (IMED) conduct a study.
"The aim is to identify why the project has been delayed, what irregularities occurred, and why revisions and cost hikes are so frequent, so that lessons can be applied to future projects," the planning adviser said.
He said irregularities and poor planning might be the reasons. "Otherwise, completion should not take this long. There also seems to be a lack of coordination," he said.
Apart from this, there

are some other issues.
Depreciation of the taka against the dollar, rising land acquisition costs, expansion of project areas, and a rise in interest payments have contributed to the cost overrun, as per the project documents.
The devaluation of taka solely increased the project cost by around 42 percent or Tk 1,186 crore.
When the government approved the project in September 2013, each US dollar was at Tk 82. The exchange rate has now risen to around Tk 120.

Government of the People's Republic of Bangladesh

Office of the Deputy Commissioner, Cox's Bazar
(Nezarot Section)
www.CoxsBazar.gov.bd

No: 05.20.2200.109.08.034.25- 459

Date: 12 August, 2025

Invitation for Tenders

1	Ministry/Division	Ministry of Public Administration
2	Agency	N/A
3	Procuring Entity Name	Deputy Commissioner, Cox's Bazar
4	Procuring Entity District	Cox's Bazar
5	Invitation for	The following tenders: 1. Other stationary & consumables purchase for DC office & Circuit house, Cox's Bazar 2. Computer materials product purchase for DC office, Cox's Bazar 3. Computer & Computer Accessories product purchase for DC office, Cox's Bazar 4. Washing clothes (Laundry) for DC office & Circuit house, Cox's Bazar
6	Invitation Ref No	05.20.2200.109.08.034.25- 459
7	Date	12 August, 2025
KEY INFORMATION		
8	Procurement Method	OTM (Framework)
FUNDING INFORMATION		
9	Budget and Source of Funds	Revenue/GOB
PARTICULAR INFORMATION		
10	Tender Package No	1.GR-1/2025-2026 2.GR-2/2025-2026 3. GR-3/2025-2026 4. GR-4/ 2025-2026
11	Tender Package Name	1. Other stationary & consumables purchase for DC office & Circuit house, Cox's Bazar 2. Computer materials product purchase for DC office, Cox's Bazar 3. Computer & Computer Accessories product purchase for DC office, Cox's Bazar 4. Washing clothes (Laundry) for DC office & Circuit house, Cox's Bazar
12	Tender Publication Date	12 August, 2025,
13	Tender Last Seling Date and Time	26 August, 2025, 04:00 PM
14	Tender Closing Date and Time	27 August, 2025, 12:00 PM
15	Tender Opening Date and Time	27 August, 2025, 01:00 PM
16	Name & Address of the office(s)	Nezarot Deputy Collector, Room No: 212, Office of the Deputy Commissioner, Cox's Bazar
	Selling Tender Document	Nezarot Deputy Collector, Room No: 212, Office of the Deputy Commissioner, Cox's Bazar
	Receiving Tender Document	Nezarot Deputy Collector, Room No: 212, Office of the Deputy Commissioner, Cox's Bazar
17	Opening Tender Document	Nezarot Deputy Collector, Room No: 212, Office of the Deputy Commissioner, Cox's Bazar
	Place/Date/Time Of Pre-Tender Meeting (Optional)	Date: 18 August, 2025, Time:

INFORMATION FOR TENDER

18	Brief Eligibility and Qualification of Tenderer	The tenderer should be well experienced with 1) Valid Trade Licence of 2024-25, 2) Income Tax Certificate, 3) Bank solvency Certificate Collected on or after 05August, 2025 4) Vat Registration Certificate 5) Bank Statement (1July,2024- 01August,2025) Undertaking of not being blacklisted or debarred by any government /autonomous body 7) Other qualifications as stated in the STD
19	Brief Description of Goods	1. Other stationary & consumables purchase for DC office & Circuit house, Cox's Bazar 2. Computer materials product purchase for DC office, Cox's Bazar 3. Computer & Computer Accessories product purchase for DC office, Cox's Bazar 4. Washing clothes (Laundry) for DC office & Circuit house, Cox's Bazar Each package is unique and different Tender documents have to be submitted separately for each package
20	Brief Description of Related Services	Not Applicable

21	Price of Tender Document (Tk)	TK . 1000.00			
22	Lot No	Identification of Lot	Location	Tender Security Amount (Tk)	Completion Time in Weeks
	1	Other stationary & consumables Purchase	DC office, Cox's Bazar	70,000.00	02 (Two)
	2	Computer materials product purchase		25,000.00	02 (Two)
	3	Computer & Computer Accessories		25,000.00	02 (Two)
4	Washing clothes (Laundry)	2,000.00		02 (Two)	

23	Name of Official Inviting Tender	Imran Hossain Sajib
24	Designation of Official Inviting Tender	Additional Deputy commissioner (General)
25	Address of Official Inviting Tender	Office of the Deputy Commissioner, Cox's Bazar
26	Contact details of Official Inviting Tender	01872615102
27	The Procuring Entity reserves the right to accept or reject all Tenders or annual the Tender proceeding	

To


Imran Hossain Sajib
Additional Deputy commissioner (General)
Office of the Deputy Commissioner
Cox's Bazar

Dhaka stocks rise for second day

STAR BUSINESS REPORT

The benchmark index of the Dhaka Stock Exchange closed higher yesterday, extending its gain for the second consecutive day, while turnover also rose.

The DSEX, the main index of the bourse, increased 51.24 points, or 0.95 percent, to settle at 5,401.48.

The other indices also posted positive performances before the end of the day's trading. The Shariah-compliant DSES increased 0.80 percent to 1,172.57, while the DS30, comprising blue-chip shares, inched up 1.06 percent to close at 2,095.95.

Turnover, a key gauge of investor participation, hit Tk 801.71 crore, up from Tk 703.02 crore in the previous session.

A total of 221,135 trades were executed, while block transactions amounted to Tk 16.34 crore across 32 scrips. Market breadth was positive, with 205 stocks advancing, 135 declining, and 58 remaining unchanged.

Among A category scrips, 122 gained, 78 lost, and 20 remained unchanged.

In the B-category, 52 stocks rose and 23 fell, while there was no trading activity in the N-category.

Segment-wise performance was mixed. In mutual funds, 8 issues advanced and 17 declined.

Corporate bonds saw two issues advance and one decline, while the government bond market saw one issue advance and two decline.

Among individual performers, Desh Garments topped the gainers' list with a 9 percent surge, while IFIC Bank 1st Mutual Fund was the worst performer, dropping 5 percent.

EU push to protect digital rules

REUTERS

The European Union is trying to prevent the United States from targeting the bloc's digital rules as both sides work through the final details of a delayed statement to formalise a trade deal reached last month, the Financial Times reported on Sunday.

EU officials said disagreements over language relating to "non-tariff barriers", which the US said include the digital rules, are among the reasons for the hold-up of the statement, the newspaper said.

Japan posts modest growth despite US tariffs

AFP, Tokyo

Japan eked out modest growth in the second quarter despite painful US tariffs, official data showed Friday, in welcome news to embattled Prime Minister Shigeru Ishiba.

A preliminary estimate showed gross domestic product (GDP) in the world's number four economy growing 0.3 percent in the three months to June, above market forecasts of 0.1 percent.

The cabinet office data also saw a revision upwards for its reading for the previous quarter to show an expansion of 0.1 percent.

On an annualised basis, GDP grew 1.0 percent, beating market forecasts of 0.4 percent and following 0.6 percent in the last quarter.

The previous estimate was for a contraction and, without the revision, a second negative reading would have put Japan in technical recession.

The new figures are a fillip for Ishiba, whose future has been uncertain since the disastrous upper house elections in July. With voters angry about the cost of living, his coalition lost its majority months after it suffered a similar catastrophe in the lower chamber.

An opinion poll this week by broadcaster NHK suggested, however, that more people want Ishiba to stay than to quit.

There is also no obvious successor to the 68-year-old leader, who took office in October, while the opposition is likely too fragmented to form an alternative government.



Rice prices remain high in the domestic markets, and they contributed to more than half of food inflation in July. The photo was taken in Barishal city early this month.

PHOTO: TITU DAS

Rice prices remain key driver of inflation: GED report

STAR BUSINESS REPORT

Rice prices remain a major concern for food inflation as well as overall inflation, according to a report by the General Economics Division (GED) of the Bangladesh Planning Commission.

Bangladesh's overall inflation was 8.55 percent in July, up from 8.48 percent a month ago, while food inflation increased by 0.17 percentage point to reach 7.56 percent.

More than half of July's food inflation was driven by rice prices, according to the Economic Update & Outlook August 2025 by the GED released yesterday.

The report said the contribution of rice to food inflation increased from 40 percent in May to 51.55 percent in July. Medium rice and coarse rice contributed 24 percent and 18.39 percent, respectively, to food inflation in July.

"All three categories of rice have been recording double-digit inflation, fine rice for the past twelve months and medium and coarse rice since December 2024. Inflation for each category stood at around 15 percent."

Over the last month, the price of coarse rice in Dhaka stood at Tk 55-60 per kilogram. Year-on-year, the price rose 7.48 percent, according to market data by the Trading Corporation of Bangladesh (TCB).

Prices of fine and medium grain were also higher than a year ago.

The GED report noted that the yield of Boro paddy was expected to contain rice prices from June onwards. But data from the Bangladesh Bureau of Statistics (BBS)

showed otherwise.

According to BBS estimates, the production of Aus paddy fell 0.85 percent and Aman paddy 6.04 percent in fiscal year 2024-25.

"The decline in yields was attributed to frequent floods and unfavourable weather conditions," it said, adding that the land under cultivation of Aus shrank by 7.32 percent from the previous year.

The GED report cited the government's announcement to procure 14 lakh tonnes of Boro rice between April 24 and August 31, 2025. As of August 13, the food ministry had purchased 16.44 lakh tonnes.

More than half of July's food inflation was driven by rice prices, according to the Economic Update & Outlook August 2025 by the GED released yesterday

Yet, rice distribution in July slumped 36 percent year on year to 62,889 tonnes, said the GED.

The GED report also cited the food ministry's initiative to increase the supply of rice in the market by allowing the private sector to import the staple. The ministry authorised 242 private importers to bring in 5 lakh tonnes of rice and directed them to market the grain by September 30.

The GED said the measures may take months to impact retail prices. "Uncertain weather in the coming months could further threaten supply." In this context,

the report suggested that the government may need to accelerate food grain imports and procurement while scaling up Open Market Sale (OMS) distribution in the short term.

Within the broad food category, the contribution of vegetables and root crops fell sharply by 6.48 percent and 10.34 percent, respectively, helping ease pressure to some extent.

At the macroeconomic level, the government has undertaken several steps to curb inflation, which surged into double digits earlier this year. Coordinated measures between the Bangladesh Bank and the finance ministry included tightening monetary policy, raising interest rates, and restricting imports of luxury goods.

These efforts began to yield results by mid-2025, as inflation showed signs of easing and the exchange rate stabilised, the report said.

"Although macroeconomic stability has been largely restored, persistent revenue shortfalls have led to substantial government borrowing from commercial banks, somewhat crowding out private sector investments," the GED observed.

"The limited fiscal space constrains public investments in social sectors."

To strengthen revenue mobilisation, the government has dismantled the National Board of Revenue (NBR) and created two separate divisions, revenue management and revenue policy.

The restructuring is expected to positively impact revenue collection and fiscal governance in the coming years, it said.

Cashless Bangladesh is a developmental necessity

ASHIKUR RAHMAN

Bangladesh stands at a crucial turning point in its economic and technological journey. While the digital economy has grown rapidly over the past decade, most visibly through mobile financial services (MFS), cash still dominates everyday transactions. This reliance on notes and coins is not simply a holdover from the past; it is a structural barrier to a more inclusive, efficient and accountable economic system. Moving towards cashless transactions should be seen not as a technocratic ambition, but as a developmental imperative. It has far-reaching implications for financial inclusion, lower transaction costs, and stronger governance and transparency.

A cashless transition can deepen financial inclusion by overcoming the constraints of traditional banking. It can reach both the unbanked and the underbanked. Large sections of the population, especially women, rural residents and informal workers, remain excluded from formal financial institutions. Yet many of these groups are connected through mobile phones and can be served through digital platforms. Digital wallets and MFS offer an affordable entry point to the financial system, allowing people to make peer-to-peer transfers, receive government-to-person (G2P) payments, save, and access microcredit or microinsurance. In this way, digital systems widen access and help reduce the social and spatial inequalities that have long shaped Bangladesh finance.

Beyond access, digital payments enable a low-cost transaction economy. Cash is inefficient and creates hidden costs, particularly for small businesses, farmers and low-income households. Handling cash means travel, risk and often informal fees. Digital transactions ease these burdens by providing safer and quicker payment options.

For government agencies, electronic transfers improve efficiency and reduce leakages in subsidies, pensions and procurement. For micro and small enterprises, digital payments cut operating costs and support integration into wider markets.

The most critical advantage of a cashless economy lies in governance and transparency. Cash transactions are opaque and often feed informality, tax evasion and corruption. Digital payments, by contrast, generate real-time and traceable data that can strengthen fiscal policy, regulatory oversight and targeted service delivery. Policymakers gain greater visibility into financial flows, enabling better monetary management, stronger anti-money laundering measures and improved tax compliance. The result is a more accountable and fiscally responsible state.

This shift also aligns with Bangladesh long-term development vision. A digital economy boosts domestic efficiency and global competitiveness, driving fintech innovation, attracting foreign investment and supporting e-commerce and cross-border trade. Failing to make this transition risks creating a dual economy, where one segment benefits from digital access while another remains locked in a low-productivity, cash-dependent cycle.

Yet the promise of a cashless Bangladesh will not be realised by market forces alone. It requires coordinated policy action, including regulatory reforms to ensure platform interoperability, greater investment in infrastructure, gender-sensitive financial products and strong consumer protection.

A cashless economy is not an end in itself. It is a tool for inclusive growth, accountable governance and digital transformation. For Bangladesh, the debate is no longer about whether to move in this direction, but about how swiftly, wisely and fairly the transition can be made.

The writer is principal economist at the Policy Research Institute of Bangladesh. He can be reached at ashrahman83@gmail.com



US producer inflation highest in three years in July

AFP, Washington

US producer price inflation bounced in July to its highest reading since 2022, data showed Thursday, with underlying signs that businesses are facing pressures from President Donald Trump's tariffs.

The rise in services costs exceeded that in goods, contributing to a markedly larger advance than analysts expected.

But economists noted that the headline increase might be overstated — boosted by a range of volatile factors — even as there are also price gains in goods exposed to tariffs.

The producer price index (PPI) rose 0.9 percent on a month-on-month basis after a flat reading in June, said the Department of Labor. A Briefing.com analyst consensus forecast expected a much smaller jump of 0.2 percent.

The PPI measures changes in producers' prices, and the report is seen by some as a bellwether for what consumers could face in the months ahead if firms choose to pass on more costs.

On Wall Street, all three major US indexes retreated after the report but generally shook off early losses.

Businesses have been grappling with Trump's sweeping tariffs after he targeted

most trading partners with a 10-percent levy this year, alongside steeper levels on sectors like steel and aluminum.

The latest numbers took the overall PPI figure to 3.3 percent from a year ago, said the Bureau of Labor Statistics.



A customer shops at a Safeway store in San Francisco, California. The producer price index rose 0.9 percent on a month-on-month basis after a flat reading in June.

PHOTO: AFP/PRICE

The cost uptick in goods was 0.7 percent while that of services was 1.1 percent — marking the biggest such jump since March 2022 as well.

While the advance was "broad-based" in July, more than three-quarters can be

traced to services, the Labor Department said.

Much of this was due to trade services, relating to changes in margins for wholesalers and retailers. Economists noted this was a sign that trade disruptions are hitting supply chains, though trade services are also a volatile component.

Prices for final demand goods made a big advance too, with 40 percent of the July increase traced to foods.

All of this complicates the Federal Reserve's job as it seeks to balance inflation risks with the health of the labor market in mulling the right time for the next interest rate cut.

Fed policymakers have been monitoring the impact of tariffs on consumer inflation, with some officials arguing the hit will be one-off and others cautious about more persistent effects.

"Input costs for producers jumped in July as price pressures for businesses build from compounding tariff impacts," said Nationwide senior economist Ben Ayers in a note.

"While businesses have assumed the majority of tariff costs increases so far, margins are being increasingly squeezed by higher costs for imported goods," he added.