

# Star BUSINESS



## Yunus calls for self-reliance as businesses seek LDC delay

STAR BUSINESS REPORT

Three business leaders yesterday once again urged Chief Adviser (CA) Professor Muhammad Yunus to defer Bangladesh's graduation from the group of least developed countries (LDCs) by at least three years from November 2026 to allow better preparation.

They made the demand at a meeting on the progress of graduation preparedness and the implementation of a "Smooth Transition Strategy" (STS) held at the CA's office in Dhaka, where most of his cabinet colleagues were present.

Business representatives have repeatedly called for a deferment of the LDC graduation over the past few months, arguing that they are not yet ready for a smooth transition.

"We have again requested the government to defer the graduation, as we need more time to prepare," said Mahmud Hasan Khan, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

"There are some issues related to commerce and finance that need to be improved for a smooth graduation and for the implementation of the STS, which is the roadmap for LDC graduation," he said.

Talking to The Daily Star over the phone, he pointed out that two critical factors — the ease of doing business and the cost of doing business — require significant improvement, which would take at least three years of preparation.

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## Shariah bank merger gains momentum

Merged lenders to be named United Islami Bank; ordinances on bank merger and depositor insurance to be placed at advisory council meeting today

REJAU KARIM BYRON

The government is set to table two draft ordinances related to overhauling the country's troubled banking sector at the advisory council meeting today.

One draft ordinance is about the merger of five struggling shariah-based lenders into a single entity, to be called United Islami Bank, while the other seeks to set up a Depositor Insurance Authority to protect public funds.

According to finance ministry officials, the paid-up capital of the proposed new shariah bank has been set at Tk 35,200 crore.

Of this, Tk 20,000 crore will come from the national exchequer, with Tk 10,000 crore drawn from the current fiscal year's allocation and the remainder raised through Sukuk bonds.

The remaining capital will come from the Deposit Insurance Fund, contributing Tk 12,000 crore, while levies collected from banks will add another Tk 3,000 crore.

The five banks identified for the merger are First Security Islami Bank, Union Bank, Global Islami Bank, Social Islami Bank, and Exim Bank.

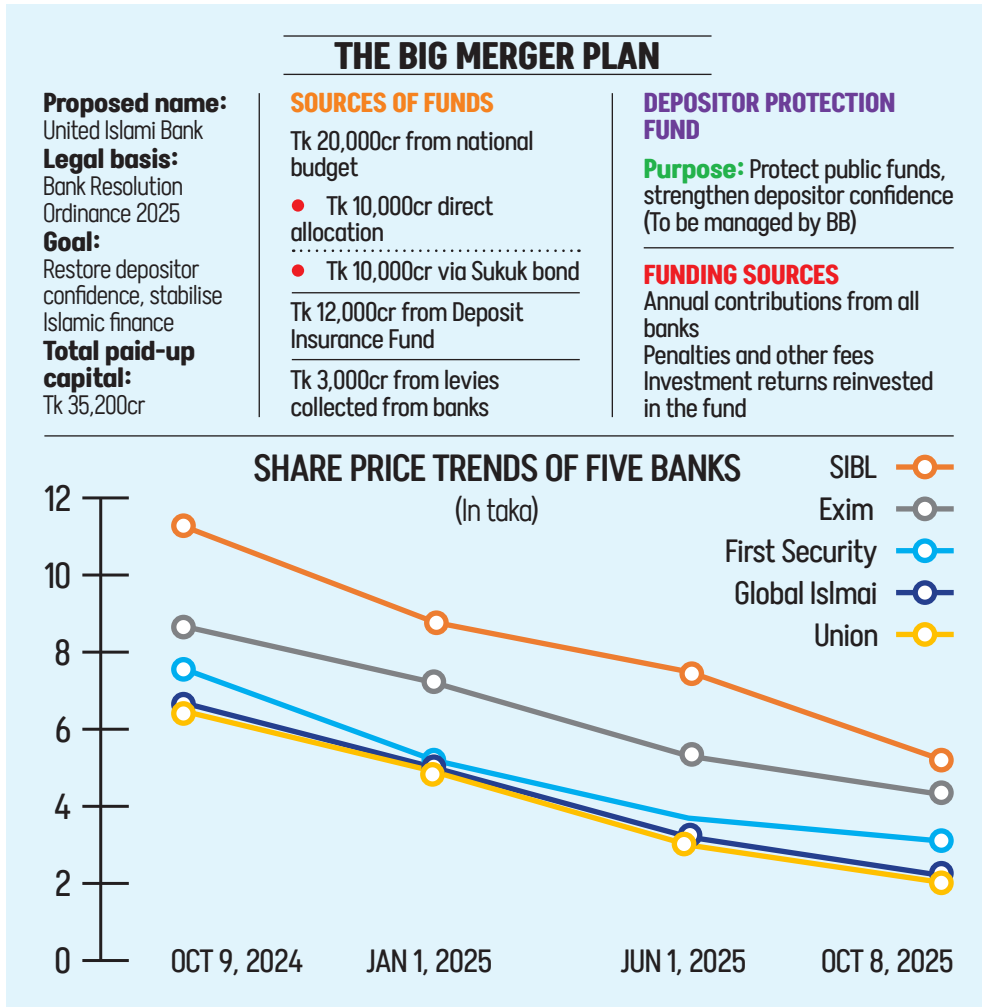
"This is the most ambitious banking sector reform in the country's history," said a senior finance ministry official, requesting anonymity.

"It is designed to avoid the cost and consequences of liquidation and to restore depositor confidence in Islamic finance," added the official.

Depositors of the merged banks will be allowed to withdraw up to Tk 2 lakh if they choose to close their accounts.

Larger individual deposits will be repaid in phases, while institutional depositors will be reimbursed through a separate mechanism, the official added.

If approved, United Islami Bank will proceed with licensing and operational formalities. Officials said the proposed name may be revised based on discussions at today's meeting, to be chaired by Chief Adviser Prof



Muhammad Yunus.

The merger is being carried out under the newly enacted Bank Resolution Ordinance 2025, which grants broad powers to restructure weak banks.

The move follows forensic audits conducted earlier this year by international accounting

firms, which found alarming levels of financial distress in the five banks.

The audits showed that non performing loans (NPLs) accounted for 96.37 percent of total loans at First Security Islami Bank. Union Bank followed with 97.8 percent,

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## Experts urge stronger tech, oversight in capital market

STAR BUSINESS REPORT

Bangladesh needs to strengthen both the use and monitoring of technology to create a more transparent and efficient investment ecosystem in the share market, according to experts in the capital market.

They made the remarks yesterday at a seminar on technology and digital finance, organised jointly by the Dhaka Stock Exchange (DSE), the Chittagong Stock Exchange (CSE), the DSE Brokers Association of Bangladesh (DBA), and Central Depository Bangladesh Ltd (CDBL), following World Investors Week from October 6 to 12.

BSEC Commissioner Md Saifuddin said, "We must clearly understand where we stand in building a complete investment ecosystem. Identifying our technological gaps, structural weaknesses, and accountability issues is essential."

He noted that the disclosure of information remains one of the market's biggest challenges, causing long-standing difficulties for investors.

"There is still a lack of proper coordination among exchanges and institutions such as CDBL and CCBL. It is time we all work together," he added.

Highlighting a new initiative, Saifuddin said the BSEC has introduced the Extended Extensible Business Reporting Model, a machine-readable financial reporting format aligned with international standards.

"This will make research, analysis, and supervision much easier, but it requires

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## World Bank maps 'trident-shaped' growth corridor in Bangladesh

Dhaka, Ctg and Rangpur drive jobs and output, as WB warns of regional disparity and policy mismatch

STAR BUSINESS REPORT

Bangladesh's industrial and job growth has increasingly concentrated around Dhaka and Chattogram and, more recently, in the Rangpur city corporation area, forming a trident-shaped growth corridor, said a new World Bank (WB) study.

"This polarisation trend is also evident in nighttime lights (NTL) satellite imagery," said the WB in a special focus on a new urbanisation pathway to boost job growth in Bangladesh in its Bangladesh Development Update released on Tuesday.

NTL value is highest and grows fastest in the Dhaka metropolitan region and Chattogram region. More broadly, stronger NTL growth has occurred in the major regional cities with a population of more than 200,000, as well as the neighbouring highway areas linking these cities, it added.

The WB report said that over the past two decades, Bangladesh has undergone significant shifts in the geography of employment, population growth, and infrastructure development, driven largely by the rapid expansion of its manufacturing sector, particularly the garment and textile industry.

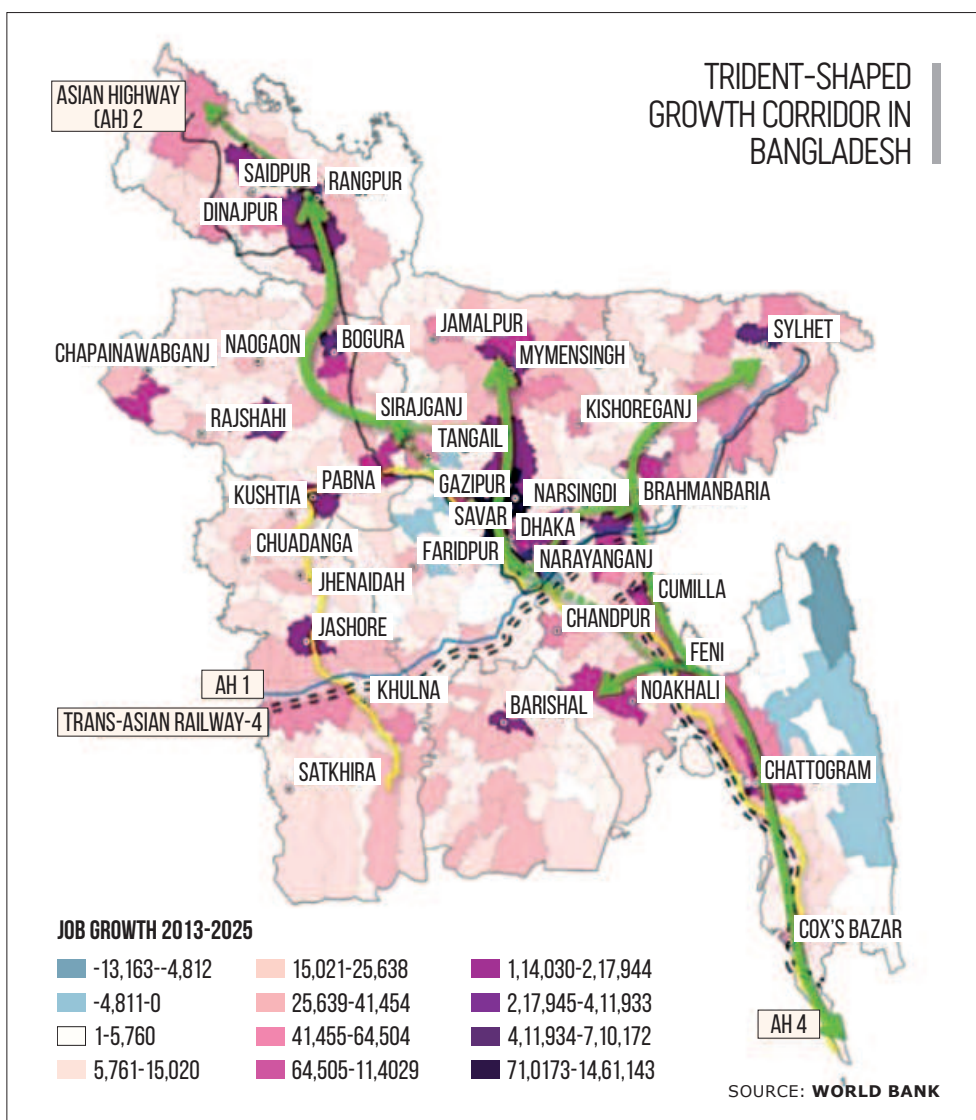
Such dynamism has been shaped mainly through "bottom-up" market forces, most of which have taken place in the absence of appropriate planning, sufficient infrastructure, and basic service support.

"This somewhat chaotic and unregulated development and industrialisation process, at least at the earlier stage, has contributed to the overall growth story of Bangladesh as market demand was able to be accommodated quickly and responsively," it said.

However, rapid expansion in the Dhaka-Chattogram corridor has created congestion pressures. As such, industrial development has continuously suburbanised to the "periphery areas" of key growth engines, administratively classified as rural areas, with even less infrastructure and planning support than the urban centres, it added.

The WB said industries have grown faster when located in areas with access to major urban labour markets and the Chattogram port for imports and exports.

The fastest job growth has occurred along



the Dhaka-Chattogram corridor, which hosts most large, high-productivity manufacturing jobs, particularly in garments and textiles.

Recently, this growth has extended south toward Cox's Bazar and north toward Sylhet, Mymensingh, and Rangpur, forming a trident-shaped growth pattern, though on a smaller scale, it added.

The WB report said several municipalities

within and beyond the main growth corridor, such as Madhabdi-Narsingdi, Brahmanbaria, and Noakhali, have gained importance due to their strategic locations.

Narsingdi and Madhabdi, situated east of Dhaka near the Meghna River, have attracted many textile industries in the past decade, including foreign investments.

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## NBR chief tells businesses to report officials' misconduct

STAR BUSINESS REPORT

National Board of Revenue (NBR) Chairman Md Abdur Rahman Khan yesterday urged businesses not to tolerate any misconduct by field-level NBR officials and to file formal complaints against them when such incidents occur.

"We've issued clear instructions about the law, yet some field officers don't follow them. And some of the blame lies with you professionals — why do you tolerate it?" he asked.

Khan made the comments while meeting with member companies of the Foreign Investors' Chamber of Commerce and Industry (FICCI) at the NBR headquarters in the capital's Agargaon.

The NBR chairman reminded businesses and taxpayers that government officers are public servants whose salaries are funded by tax money.



"Their salaries come from your tax money, so why should you tolerate them ignoring government orders? The more you tolerate, the more irregularities they will commit. This attitude must change," he added.

The NBR chairman urged businesses to actively report misconduct through the board's grievance redress system, which he said can now be accessed online on the NBR website.

"You can lodge complaints online, stating what happened and what you tried to do. We will conduct an inquiry and take disciplinary action," he said.

Khan also hinted that disciplinary actions are already taking place, saying, "We receive a lot of information through various channels. But if you don't raise your voice, the situation will never improve."

Businesses at the event echoed the concern, saying that inconsistencies at the field level continue to create confusion for them.

Md Mahbub ur Rahman, CEO of HSBC Bangladesh, said outward payments, double taxation agreements, and corporate or VAT compliance were the three key challenges for most members, though the degree of relevance may vary.

"Most of our members' home countries have double taxation agreements with Bangladesh, so clear guidance from the NBR on their implementation is needed," he said.

Khan further urged revenue officials to change their mindset, warning against harassment or arbitrary tax collection.

"I will collect tax as per law, not through coercion or harassment," he said.

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# IFIC Bank celebrates 49th anniversary

STAR BUSINESS DESK

IFIC Bank PLC yesterday celebrated its 49th founding anniversary with a ceremony held at IFIC Tower in Purana Paltan, Dhaka.

Md Mehmood Husain, chairman of IFIC Bank PLC, inaugurated the programme as the chief guest, according to a press release.

In his speech, Husain extended heartfelt gratitude and warm greetings to all valued customers, shareholders, employees, and well-wishers for their contribution to the bank's success over the past 49 years.

He said this remarkable milestone had been achieved through collective effort, trust, and continued support, and expressed optimism that IFIC Bank would continue to play a vital role in the nation's economic progress through its commitment to service, efficiency, inclusion, and innovation.

In his congratulatory remarks, Syed Mansur Mustafa, managing director of the bank, conveyed sincere appreciation to the current members of the board for their guidance and steadfast dedication to ensuring good governance.

He noted that IFIC Bank, established under a public-



**Md Mehmood Husain, chairman of IFIC Bank PLC, inaugurates the bank's 49th founding anniversary at IFIC Tower in Purana Paltan, Dhaka yesterday.**

PHOTO: IFIC BANK

private partnership, now operates 1,415 branches and sub-branches with more than 6,000 skilled and dedicated employees, providing accessible banking services across the country from major cities to remote rural areas.

He further said the bank is continuously working to enhance customer service, expand technology-driven solutions, and promote digital banking to make

the future of banking more convenient, secure, and interactive.

Kazi Md Mahboob Kasem, independent director of the bank, was also present, along with directors, deputy managing directors, senior management, and heads of various departments from the head office, as well as other officials.

# Pubali Bank promotes digital banking among National University students



**Prof ASM Amanullah, vice-chancellor of National University, inaugurates the "Banking Products Campaign", organised by Pubali Bank PLC, on the university campus in Gazipur recently. Mohammad Ali, managing director and CEO of the bank, was present.**

PHOTO: PUBALI BANK

STAR BUSINESS DESK

Pubali Bank PLC has organised a "Banking Products Campaign" on the National University campus in Gazipur, aiming to raise awareness among students about modern banking services, digital facilities, and other offerings.

Prof ASM Amanullah, vice-chancellor of National University, inaugurated the campaign as the chief guest, according to a press release.

Mohammad Ali, managing director and CEO of Pubali Bank PLC, attended the programme as the guest of honour.

Commenting on the initiative, Ali said, "Pubali Bank has always been committed to providing modern, convenient, and secure banking services to its customers. Today's Banking Products Campaign is a continuation of that commitment."

"Our goal is to bring people from all walks of life, including the country's young generation, under the umbrella of digital banking and make financial services more accessible."

"I believe this initiative will make customers more aware of Pubali Bank's services and enhance their trust and interest in banking," he added. Mohammad Arifur Rahman, head of Gazipur region and deputy general manager of the bank, presided over the event.

Prof Md Lutfor Rahman and Md Nurul Islam, pro-vice chancellors of the university; Prof ATM Zafrul Azam, treasurer; Mohammad Mizanur Rahman, public relations officer and assistant general manager of the bank; and Rehana Khatun, manager of Board Bazar Branch, along with senior officials of both institutions, were also present.

# HSBC named 'Best Cash Management Bank' in Bangladesh by Euromoney

STAR BUSINESS DESK

The Hongkong and Shanghai Banking Corporation Limited (HSBC) Bangladesh has been voted the "Best Cash Management Bank" in Bangladesh for the 16th time in the Euromoney Cash Management Survey 2025.

The multinational bank has also been named the "Best Cash Management Bank for Client Service" in Bangladesh for the eighth consecutive year.

This year, the bank has received both awards for the second year in a row, according to a press release. Commenting on the achievement, Md Mahubur Rahman, chief executive officer of HSBC Bangladesh, stated: "For 16 years, our clients have voted us number one in Bangladesh for cash management."



That's more than a ranking; it's a testament to the trust they place in our team and our unique ability to combine global network strength with deep local expertise."

"We are incredibly grateful to our clients for this recognition and remain dedicated to continuing to meet their expectations," he added.

Newaz Musharraf, head of Global Payments Solutions at HSBC Bangladesh, said: "This number one ranking in cash management from Euromoney makes us feel even more responsible to continue enabling our clients to prosper in this evolving operating environment."

"With this recognition, based on direct voting by our clients in Bangladesh, we are further inspired by a shared ambition and remain committed to providing seamless, robust, and scalable cash and payment solutions that support the growth journey of our customers," he added.

The Euromoney Cash Management Survey, conducted by the leading global business and finance magazine Euromoney, is one of the most recognised and comprehensive rankings in the industry, with responses from around 30,000 corporate participants.

# Shahjalal Islami Bank relocates centralised trade services division

STAR BUSINESS DESK

Shahjalal Islami Bank PLC has recently opened its relocated centralised trade services division (CTSD) at Devotech Technology Park on Road H3/A in the capital's Gulshan, aiming to provide improved services to customers.

Mosleh Uddin Ahmed, managing director of Shahjalal Islami Bank PLC, inaugurated the relocated division as the chief guest.

According to a press release, the CTSD has been shifted to a new location to meet customer demand and as part of the bank's policy decision to centrally manage import and export trade for risk-free services.

Imtiaz U Ahmed, additional managing director, and MM Saiful Islam, deputy managing director, attended the event as special guests.

KM Harunur Rashid, head of the

public relations division, moderated the programme, which was presided over by Galib Mahmood, vice-president and head of the division.

Mohammed Ashfaquul Hoque, senior executive vice president and head of Internal Control and Compliance Division, and Md Jafar Sadeq, chief financial officer, along with heads of various divisions of the bank's corporate head office, senior officials, and branch managers, were also present.



**Mosleh Uddin Ahmed, managing director of Shahjalal Islami Bank PLC, inaugurates the relocated "centralised trade services division" at Devotech Technology Park in the capital's Gulshan recently.**

PHOTO: SHAHJALAL ISLAMI BANK

# City Bank unveils first ESG report, reinforcing sustainability commitment

STAR BUSINESS DESK

City Bank PLC has unveiled its first Environmental, Social and Governance (ESG) Report, titled "Bank on Solidity, Banking on Sustainability", marking a significant milestone in the bank's sustainability journey.

Building on its previous Sustainability Reports, the comprehensive ESG Report aligns with global frameworks, including the GRI Standards, IFRS S1 and S2, and the UN Sustainable Development Goals (SDGs), among others, according to a press release.



The report highlights the bank's climate and environmental initiatives, as well as its broader contributions to the economy and society, driven by strong governance and the integration of sustainability into strategic decision-making.

It details progress in green and sustainable finance, including

investments in renewable energy, energy efficiency, and waste management, alongside the integration of environmental and social risk management (ESRM) in lending.

Beyond climate action, the report underscores City Bank's efforts in financial inclusion, support for women entrepreneurs, SME financing, CSR activities, and maintaining a greenhouse gas (GHG) emissions inventory, demonstrating transparency and accountability.

Commenting on the publication, Mashrur Arefin, managing

director and CEO of City Bank PLC, said, "Our ESG Report reflects our journey towards becoming a future-ready, responsible, and inclusive financial institution, strengthening stakeholder trust and reinforcing our role as a catalyst for sustainable growth in Bangladesh."

According to the release, the publication marks a new chapter in City Bank's sustainability journey, enhancing its credibility with regulators, investors, development partners, and customers seeking responsible long-term partnerships.

# Berger Paints, bti team up to raise construction standards



**FR Khan, managing director of Building Technology & Ideas Limited, and Md Mohsin Habib Chowdhury, chief operating officer and director of Berger Paints Bangladesh Limited, pose for photographs after signing the agreement at the realtor's corporate office in Dhaka on Tuesday.**

PHOTO: BERGER PAINTS BANGLADESH

STAR BUSINESS DESK

Berger Paints Bangladesh Limited has entered into a strategic partnership with Building Technology & Ideas Limited (bti), a leading real estate developer in the country, aiming to enhance the quality, aesthetics, and durability of bti's developments.

Under the collaboration, Berger Paints will supply its premium range of eco-friendly paints and advanced coating solutions for bti's residential and commercial projects across Bangladesh.

The partnership reflects a shared vision to set new benchmarks in innovation, sustainability, and construction excellence within the country's real estate sector.

Md Mohsin Habib Chowdhury, chief operating officer and director of Berger Paints Bangladesh Limited, and FR Khan, managing director of Building Technology & Ideas Limited, formalised the agreement at the realtor's corporate office in Dhaka on Tuesday, according to a press release.

Speaking at the event, Chowdhury highlighted Berger Paints' continued focus on innovation, quality, and sustainability. "At Berger, we believe in creating

value through advanced technology and environmentally responsible products. Our solutions are designed to enhance the beauty and longevity of modern architecture, ensuring lasting satisfaction for our partners and customers," he said.

Khan underscored the shared commitment between the two companies.

"bti has always focused on delivering projects that blend aesthetics with enduring quality. Partnering with Berger Paints, a name synonymous with innovation and reliability, will further strengthen that vision for our clients," he said.

AKM Sadeque Nawaj, chief business officer of Berger Paints; Shabbir Ahmad, general sales manager of corporate sales and service; Asadur Rahman, head of corporate sales; and Mohammad Humayun Kabir, area manager of corporate sales, attended the event.

M Bodrul Islam, chief business officer of bti; Abu Kamal Mohammad Pasha, director of FRC and procurement; Mohammad Gias Uddin, deputy general manager of procurement; and Sonet Hossain, assistant manager of procurement, along with other senior officials from both organisations, were also present.

# Premier Bank launches revamped website to enhance customer experience

STAR BUSINESS DESK

Premier Bank PLC yesterday launched its revamped website at the bank's head office in Banani, Dhaka, aiming to enhance customer experience and meet the evolving needs of clients in the digital age.

The newly upgraded website is the result of extensive user research and technological investment, featuring a modern, engaging, and streamlined interface designed with customers in mind.

It offers improved mobile responsiveness, ensuring smooth navigation across all devices and enabling users to access banking services anytime, anywhere. Arifur Rahman, chairman of Premier Bank PLC, inaugurated the website as the chief guest, according to a press release.

Rahman expressed enthusiasm for the new digital platform, saying: "This website represents our dedication to innovation and service excellence. We are committed to providing our clients with superior banking solutions that are both efficient and secure."

"The combination of advanced security and a streamlined, user-friendly interface ensures that digital banking with Premier Bank is now easier and safer than ever before," he added.



**Arifur Rahman, chairman of Premier Bank PLC, inaugurates the bank's revamped website at its head office in Banani, Dhaka yesterday.**

PHOTO: PREMIER BANK

Mohammad Abu Jafar, managing director and CEO of the bank, chaired the event.

The new website allows customers easy access to account information and digital services such as credit card applications, new account openings, Pmoney, and quick account facilities. It also highlights Premier 360 Digital Integrations, including tax submission support and simplified

workflows. Syed Faridul Islam, independent director and chairman of the executive committee of the bank; Md Sazzad Hossain, independent director and chairman of the risk management committee; Prof Sheikh Morshed Jahan, independent director; and M Nurul Alam, independent director and chairman of Premier Bank Securities Ltd, attended the event.

# South Asia needs stronger cooperation in trade, tech: experts

STAR BUSINESS REPORT

South Asian countries need to improve regional collaboration in trade and technology transfer to ensure progress in economic development, experts said.

Amid a turbulent global landscape, it is necessary to increase partnerships and regional alliances, they said on Tuesday night while speaking at a discussion on South Asian capital markets at the Sheraton Dhaka.

The event was organised by a Pakistan-based technology company, InfoTech Private Limited, in association with its local coordination partner, Data Edge Limited.

Speaking as the chief guest, Anisuzzaman Chowdhury, special assistant to the chief adviser, said there are many disputes and conflicts worldwide, giving off a feeling of an imminent third world war — though in a different form than the first two.

The current geopolitical and economic environment is “almost identical” to that era of the previous world wars, marked by fragmentation, protectionism, and the spread of regional conflicts, he said.

It is being fought through technology, cyber tools, and economic disruptions rather than traditional

battlefields, he said.

In such a situation, regional trade, collaboration, and technology transfer can benefit all South Asian countries, said Chowdhury.

The chief adviser of the interim government initially focused on reviving the South Asian Association for Regional Cooperation (Saarc), he said.

It would be helpful if it could be made effective. The Asia-Pacific Trade Agreement (APTA) can also contribute significantly. For one or two countries’ problems, all the initiatives should not become dysfunctional, he added.

Regional integration in South Asia is not only possible but would be a “win-win” for all participating nations, said Ishrat Hussain, former governor of the State Bank of Pakistan.

The global geopolitical landscape is undergoing a major transformation. Once characterised by openness, liberalisation, and integration, the world is now moving toward fragmentation, protectionism, and isolation, he said.

Nations that once campaigned for free trade and open financial markets are now reversing course, he said.

This reversal has weakened the winds of change that once helped developing countries achieve substantial progress

in reducing poverty, increasing their share of global GDP and trade, attracting foreign capital and remittances, and accessing new technologies, said Hussain.

Regarding South Asia, Hussain highlighted the paradox that although the region holds immense potential for cooperation, it remains the least economically integrated region in the world.

**Regional integration in South Asia is not only possible but would be a “win-win” for all participating nations, said Ishrat Hussain, former governor of the State Bank of Pakistan**

Once, South Asia functioned as a single, interconnected economic unit — with shared history, legal frameworks, and administrative systems — that still offers a strong foundation for renewed regional collaboration, provided political will exists, he said.

Endorsing his views, Chowdhury emphasised that the Bangladesh Securities and Exchange Commission (BSEC) should take the initiative to

foster bilateral engagements and policy dialogues with Pakistani experts to boost cooperation.

In the opening session, Naseer Ahmad Akhtar, president and CEO of InfoTech, highlighted InfoTech’s three-decade legacy of driving digital transformation across the financial sector.

He reaffirmed InfoTech’s commitment to supporting regional markets through trusted, high-impact technology solutions that enhance transparency and investor confidence.

Ugas Sheikh Mohamed, chairman of the CMA Kenya, discussed the regulator’s evolving role as an enabler of innovation.

He urged regulators across emerging markets to embrace technology and collaborative governance while maintaining market integrity and investor trust.

Naveed Qazi, CEO of the National Clearing Company of Pakistan Limited (NCCPL), shared insights from Pakistan’s transformation into a modern, technology-driven market ecosystem.

He highlighted advancements such as T+1 settlement, professional clearing members, and centralised KYC systems, stressing the importance of regional harmonisation to boost cross-border investment and liquidity.

# Govt appoints administrator to Nassa Group

STAR BUSINESS REPORT



The government yesterday appointed Arif Ahmed Khan, additional inspector general of the Department of Factories and Establishments (DIFE), as administrator to Nassa Group to complete the payment of dues to the group’s workers.

The labour and employment ministry shared the information through a circular yesterday.

Payments to the group’s workers have been held up for a few months, as the owner of the group, Nazrul Islam Mazumder, is currently in jail.

Nassa Group employs more than 30,000 workers in its textile and garment operations, alongside interests in banking and real estate.

Workers of its garment units have been demanding unpaid wages.

According to media reports, the group has been paralysed since the regime change in August last year, with factories closed and unpaid bank loans exceeding thousands of crores of taka.

# World Bank maps

FROM PAGE B1

“Brahmanbaria also experienced robust growth due to its important nodal location in connecting Sylhet with Chattogram, without having to pass through the Dhaka area.”

Along the Dhaka-Chattogram corridor, Noakhali has seen rapid population and job growth, reflecting spillover effects from the main highway.

The report cited the export processing zones (EPZs) and added that EPZs near Dhaka, Chattogram, and the corridor have become major employment hubs. The remote zones, such as Mongla in Bagerhat and Uttara in Nilphamari, have struggled to attract investors despite available land and incentives.

The WB study terms the industrialisation and job creation as an “east-west divide” and said the divide was considered to have caused “regional disparity and welfare gaps, which, although being reduced in recent years, is also evident from the spatial job growth pattern.”

Job growth areas are highly interconnected, it said, citing the major corridor from Cox’s Bazar through Chattogram, Feni, Comilla, Brahmanbaria,

Narsingdi, Narayanganj, Dhaka city corporation, Gazipur, Mymensingh, Savar, Sirajganj, Bogura, and up to the Rangpur border adjacent to India.

“In the southwestern region, however, job growth is limited to a few areas within a patchy pattern,” it said. “These development and growth patterns have further intensified regional disparity and shaped significantly distinct regional characteristics of job growth.”

The report identified a lack of agglomeration economies, when firms and people locate near each other, in Bangladesh, due to the weak growth of secondary cities such as district headquarters and larger municipalities.

The WB said about ten of the 55 district headquarters have seen notable job growth and added that these areas have played a limited role as employment centres, struggling to sustain jobs outside major regional growth poles.

It said there is a mismatch between areas of actual job growth and the focus of urban development policies and investment.

The WB terms the mismatch as “a major

policy blind spot”.

“This development trend and policy bottleneck is further undermined by institutional binding constraints, including weak planning, inefficient resource allocation, insufficient devolution and deconcentration, and weak local capacity.”

Policy makers need to rethink their spatial approach to urbanisation, adopting a new strategy that focuses on enhancing efficiency in planning and the utilisation of fiscal resources, and strengthening and empowering urban local governments, it said.

The WB suggested strengthening spatially-oriented planning and investment that responds to the differentiated needs of the distinct regions in Bangladesh. It recommended empowering urban local governments to play a more prominent role by enhancing their financial and technical capacities.

“Moving forward, Bangladesh’s future success depends on not only sustained growth and the quality of jobs but also how more and better jobs can benefit people’s lives, particularly the youth and women in Bangladesh.”

# Yunus calls for

FROM PAGE B1

“Even now, the ease of doing business cannot truly be achieved because of complexities in customs procedures,” he added.

“Secondly, the bank interest rate remains high, which poses a major challenge for businesses in the country,” Khan said.

Echoing Khan’s views, Dhaka Chamber of Commerce and Industry (DCCI) President Taskeen Ahmed said the private sector is not afraid of graduation, but there are challenges that require at least three more years of preparation.

“The progress in implementing the STS is very slow, and Bangladesh has not been able to sign any major trade agreements with key trading partners yet, except for a preferential trade agreement with Bhutan,” Ahmed said.

He added that the industrial sector continues to suffer from an energy crisis, weaknesses in

the banking sector, and logistical challenges.

At the meeting, Bangladesh Association of Pharmaceutical Industries (BAPI) President Abdul Muktedir highlighted the potential benefits for the pharmaceutical sector if the graduation were deferred for at least three years.

At a press briefing at the Foreign Service Academy in Dhaka after the meeting, the CA’s Press Secretary, Shafiqul Alam, said Professor Yunus wants to ensure a smooth transition before Bangladesh graduates from the LDC category.

The CA emphasised that the government’s priority is to achieve graduation without dependence on others.

He urged all sectors to prepare for a self-reliant and sustainable transition as Bangladesh gears up for graduation.

Quoting Yunus, Alam said, “We must not depend on others. We have to stand

on our own feet and avoid all forms of dependency. It must be clear to us that we do not want to depend on others anymore.”

“Whatever the deadline, we must become self-reliant. To be self-reliant, we must use our intelligence, work hard, and keep striving,” he quoted Yunus as saying.

“Even if it is difficult, there is joy in this struggle. When we talk about a new Bangladesh, it means a self-reliant Bangladesh,” he added, quoting Yunus.

By the end of last month, Yunus requested an assessment from UN Under-Secretary-General Rabab on Bangladesh’s readiness for graduation.

The UN agreed to support the assessment, which is expected to begin within a month and conclude by mid-January 2026.

Alam added that “the meeting was informed that the new import policy for 2026-2028 will be announced soon.”

# Stocks slip for third day

STAR BUSINESS REPORT

Indices at the Dhaka Stock Exchange (DSE) closed lower yesterday, with losses in large-cap sectors dragging the market down for a third straight session as turnover also weakened.

The DSEX, the benchmark index of the bourse, dropped 39.14 points, or 0.72 percent, to close at 5,337.86, according to DSE data.

Other indices also had negative performances as the Shariah-based DSES and the blue-chip DS30 declined.

Turnover, a key indicator of investor activity, stood at Tk 611.87 crore, down from Tk 787.48 crore in the previous session, reflecting lower investor participation in line with the market slump.

The market closed in red as all large-cap sectors posted negative performance, said BRAC EPL Stock Brokerage Ltd in its daily market update.

Block trades, high-volume transactions involving large numbers of securities, contributed 1.1 percent of the overall market turnover.

Market breadth was mostly negative, with 105 issues advancing against 221 declining, while 73 remained unchanged.

Among the major sectors, NBFIs experienced the steepest fall, losing 1.22 percent, followed by banks, which dropped 0.87 percent, engineering 0.77 percent, and food & allied 0.56 percent.

# Shariah bank

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Global Islami Bank 95 percent, while Social Islami Bank and Exim Bank recorded 62.3 percent and 48.2 percent, respectively.

As of May this year, combined deposits at these banks stood at over Tk 1.36 lakh crore, according to the Bangladesh Bank.

After the political changeover in August last year, the central bank dissolved the boards of these banks and formed new ones. The forensic audit findings prompted the interim government to move ahead with the merger plan.

In a parallel move, the draft of the Depositor Protection Ordinance will be presented before today’s

advisory council meeting. The draft law proposes the creation of a Depositor Protection Fund to be managed through a designated account at the Bangladesh Bank.

All banks will contribute annually through risk-based and special premiums. The fund will also receive money from penalties and other sources, with investment earnings reinvested into the scheme.

From the fund, the draft act proposes an initial protection ceiling of Tk 2 lakh per depositor, subject to review every three years by a board led by the central bank governor.

Officials said a separate managing board will oversee the fund.

# Experts urge stronger tech

FROM PAGE B1

the full cooperation of auditors and all stakeholders,” he said.

CSE Chairman AKM Habibur Rahman warned that despite automation, some irregularities and scams have still occurred, indicating that technological application and monitoring are not yet fully effective.

He stressed that the core purpose of technology is to enhance efficiency, transparency, and productivity. To achieve this, reporting, surveillance, and monitoring systems must be strengthened.

Rahman also noted that over 75 percent of Bangladeshis have limited financial literacy, making them vulnerable to misinformation. While technology helps, investor awareness and knowledge

remain crucial, he said. DSE Chairman Mominul Islam said the bourse has made “large investments in technology,” but the expected benefits are yet to materialise due to a “lack of coordination among capital market stakeholders.”

He added that without a free flow of information, even the most advanced technological systems cannot trigger necessary actions.

DBA President Saiful Islam, who presented the keynote, emphasised that “emerging technologies and digital finance have opened new horizons for investor empowerment in Bangladesh’s capital market.”

However, he cautioned that many investors still face risks due to misinformation, low financial literacy, and

complex financial products.

Artificial intelligence, blockchain, data analytics, and robo-advisory are revolutionising the market, Islam said, adding that these technologies make investment decisions more data-driven and secure while enhancing market transparency and efficiency.

He outlined four key strategies for empowering investors: education and awareness, digital risk management tools, inclusive participation, and transparent information disclosure.

Md Abdul Motaleb Chowdhury, managing director and CEO of CDBL, Mohammad Kamruzzaman, director of the DSE, along with other senior officials from several stock brokerage firms, also spoke at the event.

# NBR chief tells businesses

FROM PAGE B1

“I’ve told my tax commissioners and customs houses very clearly: I will not ask how much money you’ve collected. I don’t even want to hear it,” he said.

Khan expressed optimism that all three laws will soon be officially available in English, which will help foreign investors.

“Hopefully, very soon, all three laws — the income tax law, the customs law, and the VAT law — will be officially available in English,” he said.

Turning to the discussion on authorised

economic operators (AEOs), the chairman said, “We genuinely want to make the system attractive for compliant taxpayers.”

He noted that honest taxpayers often face more pressure than non-compliant ones.

“We often hear that the tax burden keeps increasing for compliant taxpayers, while non-compliant ones remain unaffected regardless of any new measures,” he said.

Khan said digitalisation is already showing positive results. “Already, we’ve seen promising signs,” he said.

“In July, August, and September, tax collection has increased by more than 20 percent. Last year, the growth was only 3 percent, but this year, on top of that base, we’re seeing over 20 percent growth on average,” said Khan.

He acknowledged past shortcomings in refund payments.

“Last year, I must apologise, we couldn’t allow any cash refunds to taxpayers,” he said.

“But this year, hopefully, we’ll sit together and find ways to make the refund process smoother and more efficient,” he said.

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**“দরপত্র বিজ্ঞপ্তি”**  
তারিখ: ২৪ আশ্বিন, ১৪৩২  
০৯ অক্টোবর, ২০২৫

এতদ্বারা সর্বসাধারণের অবগতির জন্য জানানো যাচ্ছে যে, ২০২৪-২৬ আর্থিক সালে পুনঃবাগান সৃজন উদ্দেশ্যে বিক্রয়/আইডিসি, রাবার বিভাগ, সিঙ্গেল জোনের নিম্নলিখিত ভার্টিস্টার রাবার বাগান হতে ২,০০০টি (২০০০টি), ২০০০টি, ২০০০টি, ২০০০টি, ২০০০টি ও ২০০০টি, মোট ৬টি লটে, সাতগাও রাবার বাগান হতে ১২,০০০টি (১২০০০টি), ২৪০০টি, ২৪০০টি, ২৪০০টি, ২৪০০টি ও ২৪০০টি, মোট ৬টি লটে, বুগাইছড়া রাবার বাগান হতে ১০,০০০টি (১০০০০টি), ২০০০টি, ২৪০০টি, ২৪০০টি, ২৪০০টি ও ২৪০০টি, মোট ৬টি লটে, ও শাহজীবাজার রাবার বাগান হতে ১৬,২৪০টি (১৬২৪০টি), ২০০০টি, ২০০০টি, ২০০০টি, ২০০০টি, ২০০০টি ও ২৪০০টি, মোট ৬টি লটে পত্তনমান অর্থনৈতিকভাবে জীবনচক্র হারাণো রাবার গাছ বিক্রয় করা হবে। বাগান ভিত্তিক লট আকারে গাছসহ মার্কেট করা রয়েছে। সমজাতীয় কার্কে ন্যূনতম ১(এক) বছরের অভিজ্ঞতা সম্পন্ন ব্যবসায়ী প্রতিদ্বন্দ্বিতাকারীদের নিকট হতে নির্ধারিত ফরমে সীলমোহরকৃত খামে দরপত্র জমা করা যাবে। ৪টি বাগানের ক্ষেত্রে ৪টি পৃথক দরপত্র বিদ্যমান, তবে দরপত্রাঙ্গণ দরপত্রের এক বা একাধিক লটের জন্য দরপত্র দাখিল করতে পারবেন। প্রতিটি লটের জন্য পৃথক পৃথক দরপত্র জামানত জমা প্রদান করতে হবে। দরপত্র আণাশী ৩০-১০-২০২৫ তারিখ দুপুর ১২.০০ ঘটিকা পর্যন্ত নিম্নলিখিত কার্যালয়ে গ্রহণ করা হবে এবং প্রাপ্ত দরপত্র ত্রিদিন অর্থাৎ ৩০-১০-২০২৫ তারিখ দুপুর ২:০০ ঘটিকার সময় নিম্নলিখিত কার্যালয়ে দরপত্র উপস্থাপন করণের উপস্থিতিতে খোলা হবে। দরপত্রাঙ্গণা নিজে বা তার মনোনীত প্রতিনিধি দরপত্র খোলার সময় ইচ্ছা করলে উপস্থিত থাকতে পারবেন। আণাশী ২৯-১০-২০২৫ তারিখ বিকাল ৫.০০ ঘটিকা পর্যন্ত নিম্নলিখিত কার্যালয়ের হিসাব শাখা হতে পত্তনমান অর্থনৈতিকভাবে জীবনচক্র হারাণো গাছ বিক্রয়ের জন্য প্রতিটি দরপত্র সিডিভি ড্রয় বাবদ ৫০০/- (পাঁচশত) টাকা মাত্র (অফেরতযোগ্য) মূল্যে সংগ্রহ করা যাবে।

দরপত্র সম্পর্কিত বিবরণিত তথ্য এবং জ্ঞাতব্য বিষয়কী প্রতিটি কার্যালয়ে নিম্নলিখিত কার্যালয় থেকে জানতে ও দেখতে পারা যাবে। দরপত্রাঙ্গণাধিক দরপত্র দাখিলের পূর্বে গাছের অবস্থা, অবস্থান, পরিবেশ রাস্তা প্রতিটি সরঞ্জামে পরিদর্শন পূর্বক সিডিভিডে সংযুক্ত সাইট পরিদর্শন ফরম পূরণ করতে হবে এবং সংশ্লিষ্ট বাগান কর্তৃক কর্তৃক সাইট পরিদর্শন ফরম সত্যায়িত করে আবেদনকারীকে দরপত্রের সাথে দাখিল করতে হবে। বিক্রয়কর্তৃক/কর্তনকৃত গাছের গোড়া স্থানীয় কর্তৃক পলা পূর্বক বুকে বেঁধে, বিধায় সরঞ্জামে সাইট পরিদর্শন ফরম বাস্তব দাখিলকৃত দরপত্র বাতিল বলে গণ্য হবে।

**দরপত্র বিক্রয়ের স্থান**  
১. বিক্রয়/আইডিসি, সদর দপ্তর, “বনশিল্প ভবন”, ৭৩ মতিবিল বা/এ, ঢাকা-১০০০।  
২. মহাব্যবস্থাপকের কার্যালয়, বিক্রয়/আইডিসি, রাবার বিভাগ, সিঙ্গেল জোন, শ্রীমঙ্গল।

**দরপত্র দাখিলের স্থান**  
১. প্রকল্প পরিচালকের কার্যালয়, “অর্থনৈতিক জীবনচক্র হারাণো রাবার গাছ কর্তন, পুনঃবাগান সৃজন ও রাবার প্রক্রিয়াকরণ আধুনিকায়ন” শীর্ষক প্রকল্প, বিক্রয়/আইডিসি, ৭৩, মতিবিল বা/এ, ঢাকা।  
২. ব্যবস্থাপকের কার্যালয়, বিক্রয়/আইডিসি, ইটালি উও ওয়ার্কস, তেজগাঁও শিল্প এলাকা, ঢাকা।

(মোহাম্মদ মাসুদুর রহমান কুইয়া)  
প্রকল্প পরিচালক (প্রশাসনিক)  
অর্থনৈতিক জীবনচক্র হারাণো রাবার গাছ কর্তন, পুনঃবাগান সৃজন ও রাবার প্রক্রিয়াকরণ আধুনিকায়ন শীর্ষক প্রকল্প  
বাংলাদেশ বনশিল্প উন্নয়ন কর্পোরেশন, ঢাকা

GD-2182

**Notice**  
IN THE SUPREME COURT OF BANGLADESH  
HIGH COURT DIVISION  
(STATUTORY ORIGINAL JURISDICTION)  
COMPANY MATTER NO. 1771 OF 2025

Confidence Infrastructure PLC, represented by its Managing Director, Mr. Salman Karim and having its registered office at Monem Business District East Tower (7th 8th & 9th Floor), 111, Bir Uttam C.R. Datta Road (Sonargaon Road), Dhaka-1205, Bangladesh.

-Versus-  
..... Petitioner

The Registrar of Joint Stock Companies & Firms, I, Kawran Bazar, T.C.B. Bhaban (5th Floor), Dhaka-1215.

..... Respondents

Notice is hereby given for all concerned that an application under Section 12 read with Section 13 of the Companies Act, 1994 was moved before the Hon’ble High Court Division of the Supreme Court of Bangladesh for confirmation of addition of object clauses of the Memorandum of Association of “Confidence Infrastructure PLC”. Upon preliminary hearing, the Hon’ble Court comprising with his Lordship Mr. Justice Ahmed Sohel was pleased to admit the said application vide order dated 18.09.2025 directing to file the affidavit-in-compliance on or before 29.10.2025.

Any one desirous of opposing the said application, may appear before the Hon’ble Court either in person or through an Advocate on the date fixed for hearing.

Copy of the application will be available from the undersigned on payment of prescribed charges.

Barrister Saifur Rashid, Senior Advocate, Supreme Court of Bangladesh  
S. Ahmed & Associates, 166/1, Mirpur Road, Kalabagan, Dhaka-1205.

# Govt moves to train insurance risk analysts

The sector has only 4 such qualified professionals, though 40 are needed

SUKANTA HALDER

The government is considering setting up an institute to provide education, training and examinations for professional financial risk analysts in the local insurance sector, while also overseeing their professional conduct.

A draft ordinance to this effect has been prepared and made public in September.

The Insurance Development and Regulatory Authority (Idra) has invited feedback from stakeholders, experts and the public on the Bangladesh Actuary Ordinance 2025 until October 16.

Professionally, such financial risk analysts are known as actuaries. Their work combines the skills of a data scientist, economist and forecaster.

Within insurance companies, actuaries quantify financial risks to ensure stability and profitability.

They use mathematics and statistics to design products and set premiums that are both competitive and sufficient to cover future claims.

They also determine the reserves a company must maintain to guarantee payment of all policyholder claims. Besides, actuaries model catastrophic risks and advise management on strategies to protect the firm from insolvency and ensure its long-term financial health.

Despite having more than 80 insurance companies, the country currently has only three or four actuaries, some of them based abroad, according to a senior figure in the Bangladesh Insurance Association.

"We need 30 to 40 actuaries to work well. With that number, the industry can be managed well by sharing resources," said Adeeba Rahman, first vice-president of the Bangladesh Insurance Association and sponsor director of Delta Life Insurance.

Saifunnahar Sumi, consultant for media and communication at Idra, also said there is a pressing need to enact comprehensive actuarial legislation.

She said every life insurance company is required to appoint a professional actuary under the Actuarial Qualification and Responsibility Regulations 2023. However, most firms have failed to comply because of a shortage of qualified actuaries in Bangladesh.

Sumi said such a law would establish a legal framework for the profession,

KEY POINTS	
A new institute will oversee actuarial training, licensing, and regulation	The institute will be governed by a council, initially led by Idra chief
Idra says a shortage of actuaries is hurting the sector	Industry leaders back the move but call for a balanced approach
Firms operating without certified actuaries will face action	Bangladesh needs at least 30-40 actuaries to meet demand
The draft ordinance was published on September 30	Public feedback is open until October 16



nurture qualified actuaries, regulate and raise professional standards, and eventually promote transparency and accountability across the insurance industry.

According to the draft, the ordinance will come into force through a government notification in the official gazette, as there is currently no parliament. It will formally establish the proposed institute.

The Actuarial Society of Bangladesh, now the sole professional body for actuaries, will be dissolved once the new institution is formed.

A council will be created to manage and administer the institute. The Idra chairman will be the president for the first three terms by virtue of office.

Council members will elect a vice-president, general secretary and treasurer from among themselves, and seven fellows or associates of the institute will be nominated as council members.

The draft also outlines acts of professional misconduct.

For example, an actuary will be considered guilty if they pay or authorise payment of any portion of professional fees, commissions or remuneration to anyone who is not a member. Allowing a non-member or an unqualified member

to sign valuation reports or financial statements on their behalf will also be treated as misconduct.

An actuary will be deemed to have acted improperly if they engage in any business or occupation not approved by the council and unrelated to the actuarial profession.

The council will have the authority to remove a member from the register if they are found guilty of misconduct, fail to pay membership fees for up to three years, or in the event of death, according to the draft.

Only members holding a valid certificate of practice from the council will be authorised to work as actuaries in Bangladesh. Every member, except student members, may use the title "Actuary".

The draft further mentions that any company, local or foreign, carrying out actuarial work without registered members will commit an offence under the ordinance. Similarly, no one other than a registered member may sign professional documents on behalf of the institute.

No case under the ordinance may be filed except by the government, a relevant authority, the institute, the council or an authorised representative.

Mohammad Sohrab Uddin, an actuary and former deputy governor of the Bangladesh Bank, welcomed the move, saying the number of qualified actuaries in Bangladesh is far below what the industry requires.

"The initiative to set up an actuarial institute is undoubtedly a timely step," he said, adding that while many countries around the world have their own actuarial institutes, Bangladesh still does not have one.

"If the government succeeds in setting up such an institute, it will greatly contribute to enhancing transparency in the insurance sector as well as other related financial industries," said Uddin, also a former chairman of Sadharan Bima Corporation.

Bangladesh currently has 82 insurance companies, including 36 life insurers and 46 non-life insurers.

Meanwhile, the chief executive of a leading insurance company expressed concern about the inclusion of government officials and agency executives in the new council.

"This is unusual for a professional body. Over time, it might effectively become just a department of the Idra," he said, requesting anonymity.

# Wealth management in Bangladesh

PARVEZ MURSHED

When Citibank Chief Executive Officer (CEO) Jane Fraser decided to wind down the bank's retail operations around the world, her main focus was to pivot towards wealth management. HSBC has taken a similar approach, and its recent closure of retail banking in Bangladesh and markets such as Indonesia reflects this shift.

Globally, banks have realised that retail banking involves high costs, consumes large amounts of capital and generates relatively low returns. JP Morgan, for instance, does not offer retail banking outside the United States, its home market. Even with advances in digital banking, maintaining the infrastructure that supports retail operations is enormous. As a result, many international banks are now concentrating on the top of the customer pyramid, focusing on wealthy clients to generate higher revenues through fees, investment products and cross-selling opportunities.

This raises an important question: why are banks in Bangladesh still focusing so heavily on retail banking, with an ongoing expansion of physical branches? In an age of internet and mobile banking, most customers can complete almost all their transactions without ever visiting a branch. For banks operating in urban areas in particular, it makes far more sense to shift their focus towards wealth management.

Recently, I visited the Priority Banking and Wealth Management centres of several leading banks in Bangladesh. What I observed was that most of them offered remarkably similar packages, such as meet-and-greet services at airports, free lounge access, complimentary health screenings and certain service charge waivers.

These are attractive perks, but they are hardly unique. One can barely distinguish the offerings of one bank from another. Where the real gap lies, however, is in the lack of depth and expertise among bankers when it comes to true wealth management advisory.

Wealth management should not simply revolve around privileges and perks. It should offer meaningful insights and expert advice on emerging global trends, investment strategies and legacy planning. This requires experienced professionals who understand not just the financial products but also the broader economic outlook. Unfortunately, many of the relationship managers working in priority or wealth banking in Bangladesh are recent graduates with limited banking experience.

Banks need to invest in structured training programmes to develop these employees into skilled advisers. In mature markets, senior and highly experienced bankers are usually assigned to such roles. They bring credibility, judgement and insight to client conversations.

New entrants are, of course, welcome to join wealth management, but they should first spend time learning the fundamentals of banking regulations, compliance requirements and financial planning before handling client portfolios.

Their roles must evolve beyond answering client phone calls or issuing tax certificates. With artificial intelligence and technology taking over many basic administrative functions, relationship managers must concentrate on what cannot be automated: understanding client aspirations, building trust and providing tailored financial solutions. The human touch, combined with professional expertise, is what sets exceptional wealth managers apart from standardised, one-size-fits-all services.

It is time for banks in Bangladesh to rethink their approach. The future lies not in expanding branches for basic retail services, but in building strong wealth management capabilities that cater to the growing segment of affluent clients. By investing in training, developing advisory skills and nurturing a culture of professionalism, banks can position themselves for long-term success and play a vital role in strengthening the country's financial sector.

*The writer worked for Citibank and Standard Chartered Ventures in Bangladesh and Singapore as regional head of business. He can be reached at parvez.murshed@gmail.com*



# Vietnam upgraded to emerging market status

AFP, Hanoi

Vietnam was designated an emerging market by a major index provider for the first time on Wednesday, a long-awaited upgrade that could accelerate foreign investment into one of Southeast Asia's fastest growing economies.

FTSE Russell is reclassifying Vietnam as a "secondary emerging market", a designation that will put it in the same group with China and India when it takes effect in September next year, the index provider said.

The upgrade from "frontier" status, which is subject to an interim review in March, comes as Vietnam's benchmark stock index has soared over 30 percent in the last year.

"FTSE Russell recognises the progress made by the Vietnamese market authorities in evolving its market... and establishing a formal process for handling failed trades," the company said.

# Gold tops \$4,000 for first time

AFP, Hong Kong

Gold prices broke \$4,000 on Wednesday for the first time as investors piled into the safe haven over expectations for US interest rate cuts and worries over the US government shutdown.

The rally in the precious metal also came after concerns that a tech-fuelled rally that has sent some equity markets to record highs may have gone too far, fanning talk of an asset bubble.

Traders have been piling into gold all year, pushing it up more than 50 percent since the start of 2025, on the back of a range of issues including global economic uncertainty, Donald Trump's trade war and geopolitical crises.

Its allure was increased further this week by political turmoil in



France, where the prime minister resigned and President Emmanuel Macron's former premier urged him to resign and call early elections.

Gold -- long considered a go-to in times of uncertainty -- climbed to a high of \$4,039.86 on Wednesday, even as the dollar has pushed up against most of its peers in recent days. Silver was also within a few dollars of its own record high.

The closure of parts of the US

government is adding to the sense of unease among investors, with key economic data, including on jobs, being postponed and muddying the waters for the Federal Reserve as it tries to decide on its rate plans.

"The rapid rise in gold prices has been supported by rising inflows into (exchange-traded funds) and central bank buying, including solid demand from China, as gold benefits from political, economic, and inflation uncertainty," wrote Taylor Nugent at National Australia Bank.

And Pepperstone's Chris Weston said, "funds and global reserve managers want a hedge -- against fiscal recklessness, currency debasement, and unpredictable government policy -- and gold sits squarely at the heart of that movement".

# Indian garment exporters reel under US tariffs

AFP, Tiruppur

When Donald Trump was elected, Indian garment exporter R.K. Sivasubramaniam thought the new US president would boost business and invested heavily in anticipation of a boom.

But less than a year later, everything is "upside down", he admits with a pained smile.

Trump's 50 percent tariffs on Indian goods, imposed in August, have upset the country's \$11 billion textile export industry and shaken confidence in the US market.

Sivasubramaniam's Raft Garments factory in southern India, normally frenetic with humming sewing machines, is quieter and work hours have been cut, hitting employees' pay packets.

If his US buyers turn to other suppliers, half his business could vanish.

Meanwhile, half a million garments sit in towering stacks, ready for shipment but stalled over who will pay the new duties.

Buyers are asking for a 16-20 percent discount. "We cannot give that much," said Sivasubramaniam, whose desk carries crossed US and Indian flags. "It's a very huge loss for us."

If Raft doesn't shoulder part of the duties, it won't be paid for garments already produced -- leaving it unable to cover costs.

"If it continues for another month... we cannot give work to our employees," he warned.

Trump's anger at India's purchases of

Russian oil -- which Washington says help finance Moscow's war in Ukraine -- has left New Delhi facing some of the world's steepest tariffs.

A trade deal that could ease that hinges partly on progress in peace talks.

But the fallout is being felt in Tiruppur, in the southern state of Tamil Nadu.

Dubbed India's "knitwear capital", and "Dollar City" for its export earnings, the small industrial town produced \$5 billion in garments last fiscal year, two-fifths going to the United States.

Its lanes are dotted with thousands of units including dyeing, embroidery and sewing workshops.

Manufacturers paint a grim picture.

"US orders have largely stopped, around 80 percent of the US business has reduced," said Ramesh Jebaraj of Trinity Tex. In the same season last year, he produced 100,000 garments.

Now he has barely a fifth of that -- forcing him to seek buyers in Israel and the United Arab Emirates.

"This is the situation across Tiruppur," he told AFP. "Some of the bigger factories are on the verge of closing some of their units."

Alexander John of NC John Garments, which supplies Walt Disney, called the tariff standoff "the worst possible situation any business can be in".

With his US orders "completely at a standstill", he has cut shifts and laid off workers.

To stay afloat, he is looking to Europe and Britain but said "none of these markets can replace the US".

Tamil Nadu Chief Minister M.K. Stalin has warned that up to three million jobs could be at risk across the state's textile belt, a grim prospect for a country struggling to provide well-paid work for its youth.



In this photograph, employees work at a garment factory in Tiruppur, in India's southern state of Tamil Nadu. US President Donald Trump's 50 percent tariffs on Indian goods have upset the country's \$11 billion textile export industry.

PHOTO: AFP/FILE