

‘Fed should tread with caution on rate cuts’

REUTERS

St Louis Federal Reserve President Alberto Musalem on Friday said he sees possible room for one more interest rate cut to shore up the labor market, but urged caution because inflation remains “materially” above the US central bank’s 2 percent target.

“I am open-minded about a potential further reduction in interest rates to provide further insurance against labor market weakening,” Musalem said at the Springfield Area Chamber of Commerce in Missouri.

But, he added, “I believe that we have to tread with caution because there’s limited room for further easing before monetary policy could become overly accommodative, and I believe that monetary policy should continue to lean against persistence in inflation.”



ICC Bangladesh President Mahbubur Rahman and its members hold a meeting with Carla Haddad Mardini, director of the Private Fundraising and Partnerships at Unicef Geneva, and Rana Flowers, Unicef representative in Bangladesh, at ICCB Secretariat in Gulshan, Dhaka recently.

PHOTO: ICC BANGLADESH

Midland Bank signs deal with Shamadhan Services to facilitate money transfers



Mohammad Anwar Hossain, chief operating officer of Shamadhan Services Limited, and Maruf Haider, executive vice-president of Midland Bank PLC, exchange signed documents of the agreement at the bank's head office in Gulshan-2, Dhaka recently.

PHOTO: MIDLAND BANK

STAR BUSINESS DESK

Midland Bank PLC has signed an agreement with Shamadhan Services Limited, an emerging digital financial service provider, to facilitate seamless money transfers between Shamadhan and Midland Bank accounts.

Md Zahid Hossain, deputy managing director of Midland Bank PLC, and Mohammad Anwar Hossain, chief operating officer of Shamadhan Services Limited, signed the agreement at the bank's head office in Gulshan 2, Dhaka recently, according to a press release.

Under the partnership, customers of both institutions will be able to transfer funds in real time between Shamadhan mobile wallets and Midland Bank accounts, ensuring greater flexibility, speed, and accessibility.

Nazmul Huda Sarkar, chief technology officer of the bank; Maruf Haider, executive vice-president; Ashrafur Rahman, relationship manager; Md Salah Uddin Tanvir, head of product and pricing at Shamadhan Services; and ABM Saiful Bari, head of business and strategy, were also present at the event, along with other senior officials from both organisations.

AB Bank unveils collection booth at NIDCH

STAR BUSINESS DESK

AB Bank PLC has opened a collection booth at the National Institute of Diseases of the Chest & Hospital (NIDCH), popularly known as TB Hospital in Mohakhali, offering comprehensive modern banking services.

The booth, under the bank's Mohakhali branch, will facilitate all collections of the NIDCH and provide payroll services to doctors, nurses, and hospital staff.

Syed Mizanur Rahman, managing

director and CEO of AB Bank PLC, and Prof Md Delwar Hossain, director (acting) of the NIDCH, jointly inaugurated the booth on the hospital premises recently, according to a press release.

Golam Sarwar, assistant professor of NIDCH; Mohammad Abdullah Al Mehedi, medical supervisor; Tania Sattar, head of brand communication at the bank; and Chowdhury ANM Mosharaf Ali Beg, manager of the Mohakhali branch, along with other senior officials from both organisations, were also present.



Prof Md Delwar Hossain, director (acting) of the National Institute of Diseases of the Chest & Hospital, and Syed Mizanur Rahman, managing director and CEO of AB Bank PLC, jointly inaugurate the collection booth on the hospital premises in Mohakhali, Dhaka recently.

PHOTO: AB BANK

Health scare taints Indonesia's export reputation

ANN/THE JAKARTA POST

Industry players have warned that Indonesia's export reputation is on the line, as delays in addressing recent radioactive and toxic material contamination could undermine the credibility of local goods abroad. They cautioned that such fallout could lead to financial losses and mass layoffs, urging the government to act swiftly and implement stronger safeguards to prevent future incidents.

The Indonesian Employers Association (Apindo) has called for urgent measures to restore global market confidence and prevent stigma on Indonesian goods surfacing, as negative perceptions toward one export commodity can spill over to related industries.

“Such reputational risks can also affect other sectors such as fisheries, processed foods and agribusiness [...] impacting Indonesia's exports as a whole,” Apindo's head of the fisheries and livestock division, Hendra Sugandhi, told The Jakarta Post on Tuesday.

Hendra noted that the recall of Indonesian shrimp exports to the United States by the US Food and Drug Administration (FDA) has prompted many foreign buyers to be more cautious, tightening inspections or even delaying contracts with local suppliers.

He emphasized that recent contamination cases must be handled promptly and transparently through proper recalls and investigations into the root causes, while ensuring that businesses adhering to safety standards are not unfairly penalized.

“A thorough investigation from upstream to downstream must be carried out by the government or competent authorities responsible for the case, ensuring effective corrective actions to prevent the same problem from recurring,” he said.

Shrimp Club Indonesia (SCI) chairman Andi Tamsil revealed that around 400 containers had been returned so far, representing a loss of over Rp 1 trillion (US\$60 million), with many other buyers reportedly postponing purchases. He added that shrimp farms in various regions have suffered price drops of up to 30 percent.

“[This incident] has hurt more than 600

small-scale farmers in Aceh, North Sumatra, West Sumatra and surrounding areas,” Andi told the Post on Wednesday.

He explained that farms suffering such losses are now unable to pay workers or purchase raw materials such as shrimp larvae and feed, creating cash flow strain across the entire supply chain.

“The entire shrimp industry employs over 1 million workers. So far, layoffs have already occurred at PT Bahari Makmur Sejahtera (BMS) [whose goods were recalled by the FDA over radioactive contamination], affecting approximately 7,000 employees. If purchase delays continue, other exporters could soon be affected as well,” Andi claimed.

Outside the US, he said that importers from several other countries, including China and European Union markets, had contacted Indonesian authorities seeking clarification regarding the radioactive contamination.

Local sales, meanwhile, cannot absorb the excess supply amid the export downturn,

according to Andi. Domestic demand is estimated at only 15,000 tonnes per year, compared to 270,000 to 280,000 tonnes exported annually.

Indonesia's food export industry has faced a series of contamination cases in recent months, spanning various commodities from shrimp and spices to instant noodles. The incidents have drawn heightened scrutiny from key markets toward the “Made in Indonesia” brand.

In August, the US FDA detected traces of cesium-137 (Cs-137), a radioactive isotope, in a container linked to BMS' facilities in Cikande, Banten. Investigations later revealed contamination at a nearby scrap metal facility, PT Peter Metal Technology, located roughly two kilometers away.

Authorities have not yet made a direct connection between the findings, but nine residents of the area tested positive for internal radiation exposure through whole body counter (WBC) detection in late September.



An aerial photo shows cargo containers stacked at the Jakarta International Container Terminal in Tanjung Priok Port.

PHOTO: AFP

China accuses US of ‘double standards’ over new tariff threat

AFP, Beijing

China accused the United States of “double standards” on Sunday, after President Donald Trump threatened an additional 100 percent tariff on the world's second-largest economy.

Trump reignited his trade war with China on Friday, accusing Beijing of imposing “extraordinarily aggressive” new export curbs relating to rare earths.

He announced extra levies -- plus export controls on “critical software” -- due to take effect from November 1, and threatened to cancel a meeting with Chinese President Xi Jinping.

On Sunday, China's Ministry of Commerce called Trump's tariff threat a “typical example of ‘double standards’”.

The ministry said Washington had ratcheted up economic measures against Beijing since September.

“Threatening high tariffs at every turn is not the right approach to engaging with China,” it said in an online statement.

Chinese goods currently face US tariffs of 30 percent under levies that Trump brought in while accusing Beijing of aiding in the fentanyl trade, and over alleged unfair practices.

China's retaliatory tariffs are currently at 10 percent.

Trump reignited his trade war with China on Friday, accusing Beijing of imposing “extraordinarily aggressive” new export curbs relating to rare earths

Rare earths have been a major sticking point in recent trade negotiations between the two superpowers.

They are critical to manufacturing everything from smartphones and electric vehicles to military hardware and renewable energy technology.

China dominates global production and processing of these materials, and on Thursday announced new controls on the export of technologies used for the mining and processing of critical minerals.

In response, Trump said on his Truth Social platform that China had taken a “very hostile” stance and should not be “allowed to hold the World ‘captive’”.

The US leader also threatened to pull out of a mooted meeting with Xi at the Asia-Pacific Economic Cooperation summit in South Korea later this month.

It would have been the first face-to-face encounter between the leaders of the world's two largest economies since Trump returned to power in January.

A few months ago, Beijing and Washington agreed an uneasy truce in their tit-for-tat trade war that started earlier this year and threw bilateral trade into serious jeopardy.

But tensions have boiled up again in recent days.

China said on Friday that it would impose “special port fees” on ships operated by and built in the US, calling it a “defensive action”.

BTRC prepares for next spectrum auction

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The 700 MHz band is especially prized for its broad coverage and stable connectivity, making it very important for bridging the digital divide and expanding affordable broadband access.

The draft auction guidelines give the BTRC the option to sell either the currently available 25 MHz or the full 45 MHz, depending on whether the court case involving a broadband provider is resolved before the auction.

Back in 2007, the BTRC allocated 12 MHz from the 700 MHz band to the broadband provider Always On Network Bangladesh Ltd.

At the time, the band had not yet been recognised locally for mobile use, though it was later assigned globally for telecom services. The commission later said the allocation was made in error and offered replacement spectrum in the 5 GHz band.

But the company challenged the BTRC cancellation in the High Court, which issued a ruling that is now under appeal before the Appellate Division. Until the appeal is resolved, the 12 MHz thus remains unavailable.

Officials said the hearing date is yet to be confirmed, as the Supreme Court is currently on vacation until mid-October.

According to them, if the appeal is settled before

the auction, the BTRC will offer the full 45 MHz. Otherwise, it will go ahead with 25 MHz.

OPERATORS PUSH FOR FULL AUCTION AND LOWER RATES

In March, Telenor, Axiata and VEON, the foreign investors in Grameenphone, Robi and Banglalink, submitted letters to the telecom ministry asking for the release of the entire 45 MHz at once.

They say that larger, contiguous blocks are essential for efficient 5G rollout. Fragmented 5G or smaller allocations, they say, increase costs, reduce efficiency and limit network performance.

Shahed Alam, chief corporate and regulatory officer at Robi Axiata PLC, said selling only part of the spectrum could hurt market competition.

“Rushing to sell fragments without first resolving the remaining 20 MHz sends a negative signal to ongoing litigations and undermines investor confidence,” he said.

Alam added that low-band spectrum like 700 MHz is too valuable to be sold in pieces. Fragmented sales, according to him, could lead to slower rural coverage, higher prices for users and weaker digital inclusion.

Meanwhile, spectrum pricing remains another flashpoint. The BTRC initially proposed a base

price of Tk 263 crore per MHz, but operators and foreign investors have called for a reduction.

They say excessive spectrum costs could slow their network expansion and upgrades.

Taimur Rahman, chief corporate and regulatory affairs officer of Banglalink, said spectrum prices in Bangladesh are very high compared with countries of similar size and demographics.

He referred to a recent GSMA study that highlighted how lower spectrum prices could accelerate digital adoption nationwide.

In May, Special Assistant to the Chief Adviser Faiz Ahmad Taiyeb recommended a 10 percent cut in the reserve price, according to commission documents.

Acknowledging the sensitivity of the issue, the BTRC said the final price should be determined through consultation with the finance and telecom ministries.

Rahman said they hope the government would consider the GSMA study and its call for lower spectrum costs.

“The 700 MHz band is globally recognised as the digital dividend band and should therefore be priced significantly lower than other bands to maximise its impact on ensuring digital penetration across the country,” he added.