Bank Asia wins 'WSBI SDG Award 2025' in US

STAR BUSINESS DESK

Bank Asia PLC has been honoured with the "WSBI SDG Award 2025" in recognition of its outstanding contribution to advancing the United Nations Sustainable Development Goals (SDGs).

The bank received accolades across five key categories: Inclusive Banking and Social Impact, Economic Growth and Empowerment, Digital Transformation and Technological Innovation, Climate Finance, and Customer Education.

Peter Simon, chief executive officer of the World Savings and Retail Banking Institute (WSBI), handed over the awards to Romo Rouf Chowdhury, chairman of Bank Asia PLC, at a recent ceremony held in Washington, DC, according to a press release.

Bank Asia participated in the "WSBI-ESBG SDG Data Survey 2025" and the "WSBI-ESBG SDG Awards", initiatives that recognise member institutions demonstrating exemplary commitment to sustainability, inclusivity, and social progress.

This international recognition reaffirms Bank Asia's unwavering dedication to fostering sustainable development and creating meaningful, positive change in the lives of individuals and communities through innovative and inclusive banking practices, the release added.

Mohammad Ziaul Hasan Molla, deputy managing director and head of channel banking at the bank, along with other senior officials of WSBI, was also present at the event.

Romo Rouf Chowdhury, chairman of Bank Asia PLC, receives awards from Peter Simon, chief executive officer of the World Savings and Retail Banking Institute (WSBI), at a ceremony in Washington DC recently. PHOTO: BANK ASIA

Truefitt & Hill offers privileges to Eastern Bank cardholders

Mahira Husain Khan, chief executive officer of Truefitt & Hill Bangladesh, and M Khorshed Anowar, deputy managing director and head of retail and SME banking at Eastern Bank PLC, pose for photographs after signing the agreement at the bank's head office in Dhaka recently. PHOTO: EASTERN BANK

STAR BUSINESS DESK

Eastern Bank PLC (EBL) has signed an agreement with Truefitt & Hill Bangladesh, the globally acclaimed men's grooming salon, to offer privileges to the bank's cardholders.

M Khorshed Anowar, deputy managing director and head of retail and SME banking at Eastern Bank PLC, and Mahira Husain Khan, chief executive officer (CEO) of Truefitt & Hill Bangladesh, signed the agreement at the bank's head office in Dhaka recently, according to a press release.

Farzana Qader, head of retail alliance at EBL; Sk Asif Shoumo, manager of retail alliance; and Sarah Hossain Khan, head of operations at the salon, along with other senior officials from both organisations, were also present at the signing ceremony.

Square launches Supermom Super Pants using Japanese tech

STAR BUSINESS REPORT

Square Toiletries Limited's baby care brand, Supermom, has launched its new pant-style diaper, Supermom Super Pants, featuring Japan's Servo Technology.

The product was unveiled yesterday at the company's manufacturing facility in Rupshi, Narayanganj, in the presence of retailers from across Bangladesh.

The diaper has been developed in response to key concerns raised by mothers, including absorption, leak protection, and comfort.

According to the company, Supermom Super Pants incorporates features such as Magic Ball Technology, a breathable top sheet, and a 360° waistband designed to keep babies dry, leak-proof, and comfortable.

Samuel S Chowdhury, chairman of Square Group, attends the launch of "Supermom Super Pants", at the company's manufacturing facility in Rupshi, Narayanganj yesterday. PHOTO: SQUARE GROUP

Alongside the product launch, Square introduced the Supermom Mobile App, a free platform offering weekly guidance and expert advice from doctors and psychologists on topics ranging from pregnancy to early childhood. The app includes articles, videos, and personalised tips to support mothers through various stages of motherhood.

Samuel S Chowdhury, chairman of Square Group; Tapan Chowdhury, managing director of Square Pharmaceuticals Ltd; and Anjan Chowdhury, managing director of Square Toiletries Ltd; along with members of the third generation of Square Group, attended the event.

Over 100 Supermom Super Partners -- retailers from across the country -- also took part in the ceremony.

Senior officials from Square Toiletries Ltd and members of the media were present.

The company's leadership, referencing the vision of Square Group's late founder chairman, reiterated their commitment to promoting maternal and child health in Bangladesh.

Speakers at the event expressed confidence that Supermom Super Pants would set a new standard in the diaper category and become a trusted choice for mothers nationwide.

Premier Bank holds workshop on integrity and ethics in banking

STAR BUSINESS DESK

Premier Bank PLC recently organised a workshop on "Integrity and Ethics Practice in Banking" at its Learning and Talent Development Centre in Dhaka.

The workshop focused on promoting ethical standards, transparency, and good governance across all levels of banking operations.

Mohammad Abu Jafar, managing director and CEO of Premier Bank PLC, inaugurated the programme, while Arifur Rahman, chairman of the bank, graced the event with his speech, emphasising the importance of integrity and ethics in sustainable banking.

Senior officials from the head office and branches actively participated in the session, which highlighted practical approaches to upholding integrity and ethical values in day-to-day banking practices.

M Nurul Alam, independent director of Premier Bank PLC; Md Hafizur Rahman Khan, joint director of the Bangladesh Financial Intelligence Unit (BFIU); and Mohammad Adil Hossain, director of compliance at Banglalink, conducted the technical sessions.

They shared valuable insights on strengthening ethical culture, regulatory compliance, and responsible business conduct in the banking sector.

Arifur Rahman, chairman of Premier Bank PLC, poses for group photographs with participants of the workshop on "Integrity and Ethics Practice in Banking" at the bank's Learning and Talent Development Centre in Dhaka recently. PHOTO: PREMIER BANK

Nestlé cuts are appetiser for bigger shake-up

REUTERS, *Dublin*

Nestlé's new CEO has offered disgruntled shareholders a tasty appetiser. On Thursday, Philipp Navratil announced he was slashing nearly 6 percent of the company's 277,000 workforce. The cuts and signs of a recovery in sales helped close the Swiss group's valuation gap with rivals. But to keep investors happy he will have to cut more than headcount.

Navratil's first results since taking the helm of the $267 billion KitKat maker last month went relatively smoothly. Nestlé reported a 1.5 percent rise in real internal growth, a measure that is closely watched by investors and captures how many units the Swiss company shifts as well as the make-up of those sales. The boost went far beyond the 0.3 percent rise analysts were expecting. Navratil is also turbo-charging Nestlé's cost cutting drive, axing 12,000 white collar workers and raising the company's existing savings target from 2.5 billion Swiss francs to 3 billion Swiss francs over the next two years.

Thursday's near 9 percent share price bump means Nestlé now trades on 18 times forward earnings, according to LSEG data. That's above peer Unilever, but still marginally below French rival Danone. Still, two years ago the business was valued at over 22 times its expected earnings. That was before an inflation shock caused consumers to scour for cheaper alternatives to big brands. Nestlé's operating margin has also stagnated at around 17 percent over the past two years.

More slimming down lies ahead. Offloading some of the ropier food products would leave a leaner, more profitable, faster-growing business. But Navratil will need to turn around some troubled assets first in order to get a good price. He is investing in 18 low-growth products accounting for a fifth of total revenue, including Gerber baby food in the US and soluble coffee in Europe. The investment is already paying off. Sales in these products fell 2.5 percent last year but encouragingly were flat so far this year, making a sale easier. Navratil could go a step further and sell Nestlé's frozen food division which an analyst previously told Breakingviews could be worth $15 billion.

With these disposals Navratil could then plough money into Nestlé's nutrition and health science unit, which makes Vital Proteins and Nature's Bounty. This division makes up less than 20 percent of sales. But it grew volumes by 5.6 percent in the last quarter, far outstripping the wider group's 1.5 percent rate. Bulking up in faster-growing health would give Nestlé a chance of regaining its premium valuation, meaning Navratil's shareholders won't have to settle for one-off treats.

Nestlé will cut 16,000 jobs, new CEO Philipp Navratil said on October 16.

The jobs represent 5.8 percent of Nestlé's around 277,000 employees. Navratil said Nestlé had raised its cost savings target to 3 billion Swiss francs ($3.77 billion) from 2.5 billion Swiss francs by the end of 2027.

Navratil said the 12,000 white-collar job cuts over the next two years, in addition to a further 4,000 headcount reduction as part of ongoing initiatives in manufacturing and the supply chain, were part of an efficiency push.

Nestlé reported a 1.5 percent rise in real internal growth - a measure of sales volumes - in the third quarter, above analysts' expectations of a 0.3 percent rise.

The Swiss company maintained its 2025 outlook. It said organic sales growth should improve compared to 2024 and predicted the underlying trading operating profit margin, which excludes certain non-recurrent expenses, at, or above, 16 percent. For the medium-term, the forecast is at least 17 percent.

Shares in Nestlé were up 7.4 percent by 0833 GMT on October 16.

Inflation targets are no match

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It might seem reasonable to assume that improvements in monetary policy at least played a supporting role. Yet a recent study of 27 advanced economies published by the European Central Bank argues even that isn't quite true. While the overall quality of institutions in a country – its legal system, its quality of government, and so on – is an important driver of inflation outcomes, the paper concludes, "central-bank specific factors such as independence, exchange rate regimes, or inflation targeting show no significant impact". The popularity of inflation-targeting, it seems, was as much a consequence of the Great Moderation as its cause.

Another recent paper,– this time from the Bank of England – adds a fourth complication to the mix. Its authors offer a revisionist analysis of the other founding myth of modern central banking: the great inflation of the 1970s. Economists have traditionally explained the spike in UK inflation, which peaked at 25 percent in 1975, as the consequence of an inadequate monetary policy response to the first oil price shock of 1973. The new study, however, demonstrates convincingly that the British public's inflation expectations had already slipped their anchor in the late 1960s, when successive UK governments abandoned debt-stabilisation as the principle guiding of fiscal policy and adopted Keynesian demand management techniques instead. Expectations only recovered their moorings in the 1980s once Margaret Thatcher's government had once again made the sustainability of the public debt the focus of fiscal policy. The authors conclude that it was ultimately shifts in the fiscal regime, not monetary policy, that both pumped up and deflated the inflationary decade. In this important sense fiscal dominance – where government borrowing shapes monetary policy – is not an exception but an unavoidable fact of economic life.

For investors, the lesson of these four challenges to the modern monetary policy consensus is simple – and unfortunately bleak. In today's era of persistent deficits and big debts, it would be a mistake to bet on central banks keeping inflation down. Deft management of monetary policy is certainly a necessary condition for keeping prices in check. But if fiscal policy loses its discipline, even the most skilful central bankers will not be able to help. The resulting destabilisation of inflation expectations will overwhelm monetary policy.

In its latest review of public finances around the world, the International Monetary Fund paints a baleful scene. Around the world, "looming expenditures on defense, natural disasters, disruptive technologies, demographics, and development" are colliding with "sharp political red lines against tax increases and diminished public awareness of fiscal limits." The IMF forecasts that global public debt will top 100 percent of GDP by 2029 – its highest level since 1948.

"A sound monetary policy needs to be buttressed by a prudent fiscal stance" was UK finance minister Nigel Lawson's understated verdict on the trauma of the previous two decades in 1988. It looks like we are about to rediscover what he meant. With apologies to Friedman: in the end, inflation is always and everywhere a fiscal phenomenon.

China and US agree

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"It's not sustainable, but that's what the number is... They forced me to do that," he said.

The high-level video call came as Washington worked to rally Group of Seven finance ministers in response to the latest Chinese export controls.

For now, the G7 ministers have agreed to coordinate a short-term response and diversify suppliers, the EU's economy commissioner Valdis Dombrovskis told reporters in Washington.

Speaking after the grouping met this week, Dombrovskis noted the vast majority of rare earth supplies come from China, meaning that diversification could take years.

"We agreed, both bilaterally with the US and at the G7 level, to coordinate our approach," he said on the sidelines of the International Monetary Fund and World Bank's fall meetings.

Countries would also exchange information on their contacts with Chinese counterparts as they work out short-term solutions, he added.

German Finance Minister Lars Klingbeil told journalists he hopes that Trump and Xi's meeting can help to resolve much of the US-China trade conflict.

"We have made it clear within the G7 that we do not agree with China's approach," he added, referring to the group of Britain, Canada, France, Germany, Italy, Japan and the United States.

International Monetary Fund chief Kristalina Georgieva also expressed hope Friday for an agreement between the countries to cool tensions.

The US-China trade war reignited this year as Trump promised sweeping tariffs on imports soon after returning to office.

At one point, US-China tariffs escalated to triple-digit levels, effectively halting some trade as businesses waited for a resolution.

The two countries have since lowered their respective levies but their truce has remained shaky.