

Akij Resource plans to launch digital bank
STAR BUSINESS REPORT

Akij Resource has expressed strong interest in launching an Islamic digital bank, titled "Munafa Digital Bank", and the company plans to apply to the central bank soon.

At a press conference held at Akij House yesterday, Akij Resource shared its intention with the media.

In August this year, Bangladesh Bank once again invited applications from interested investors willing to establish digital banks.

Initially, the application submission period was set from September 1 to September 30. However, the deadline was later extended to November 2 this year.

Senior officials of Akij Resource said the institution aims to extend loans to marginalised communities.

Foreign entrepreneurs and institutions with experience in digital banking will be among its partners, they added.

They also mentioned that there will be no cost for money transfers through the proposed bank, which will focus on micro, small, and medium enterprises, as well as housing loans.

Md Firoz Kabir, chief digital and innovation officer of Akij Resource, delivered a presentation on the company's preparedness to enter the digital banking space through a pioneering initiative designed to support Bangladesh Bank's Digital Bank Framework and the national Smart Bangladesh 2030 Vision.

Shahjalal Islami Bank profit down 4% in Q3

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Shahjalal Islami Bank PLC posted a profit of Tk 113.52 crore in July-September 2025, down 4 percent year-on-year.

According to a disclosure on the Dhaka Stock Exchange website yesterday, the Shariah-based lender reported consolidated earnings per share of Tk 1.02 for the quarter, compared with Tk 1.06 in the same period of 2024.

For January-September 2025, consolidated net operating cash flow per share (NOCEPS) rose sharply to Tk 22.97, from Tk 7.84 a year earlier.

The increase was driven by higher investment income, greater earnings from fees and commissions, and increased placements with other banks and financial institutions, the bank said.

Global trade system risks coming off the rails: UN chief

AFP, Geneva

The rules-based international trade system is in danger, UN chief Antonio Guterres warned Wednesday, amid spiralling debt, heavy tariffs and financial insecurity for emerging nations.

Guterres said too many countries were trapped in a debt crisis, spending more money on servicing creditors than funding health and education.

"Global debt has soared. Poverty and hunger are still with us. The international financial architecture is not providing an adequate safety net for developing countries. And the rules-based trading system is at risk of derailment," Guterres said at the 16th UN Conference on Trade and Development (UNCTAD) in Geneva.

Guterres said trade and development were facing a "whirlwind of change", with three-quarters of global growth now coming from the developing world, services trade surging and new technologies boosting the global economy.

However, he said geopolitical divisions, inequalities, conflicts and the climate crisis were limiting progress.

Furthermore, US President Donald Trump's administration has imposed wide-ranging tariffs on other nations, triggering trade tensions around the globe.

Guterres acknowledged that "protectionism might be, in some situations, inevitable" but "at least it should be rational".

Inflation outpaces wage growth for 44th month

MD ASADUZZAMAN

For nearly four years, prices in Bangladesh have been rising faster than people's pay. Every month, workers earned a little more on paper, but that extra money did not stretch as far in the market. Now, for the past two months, even the pace of income growth has started to slow, making an already difficult situation even worse for low- and middle-income families.

Latest data from the Bangladesh Bureau of Statistics (BBS) show that wages grew by 8.02 percent in September, down from 8.15 percent in August and 8.19 percent in July. Inflation in these months stood at 8.36 percent, 8.29 percent, and 8.55 percent, respectively. This means workers' real earnings—the amount their wages can actually buy—have continued to erode.

Economists say this steady erosion of real income is weakening household purchasing power and pushing many families closer to the edge. So, while a worker might earn Tk 10,000 today compared to Tk 9,000 a year ago, if food, rent, and transport costs have risen even faster, that worker is effectively poorer. This has been a constant trend since early 2022.

"Workers are under pressure from both sides: prices are rising while wage growth is losing momentum," said Zahid Hussain, former lead economist at the World Bank's Dhaka office. "It's like getting struck twice—once on the head and again on the feet."

He said that while the situation seemed to be improving earlier this year, that progress has now reversed. "When I looked at the full dataset, it was clear that after months of steady increases, wage growth has started dropping, and this time the fall is much sharper."

September marks the 44th consecutive month in which wage growth has failed

to keep pace with inflation. The BBS Wage Rate Index, which tracks earnings across 63 occupations in agriculture, industry, and services, shows that all eight administrative divisions recorded negative month-on-month wage growth in September. Khulna saw the steepest decline, down by 0.18 percentage points from August.

"Real wage erosion is deepening because inflation remains stubbornly high while nominal wages aren't catching up," Hussain said. "This is not just a statistical issue; it reflects the daily struggle of workers whose earnings are losing value faster than before."

Economist Mohammad Lutfor Rahman of Jahangirnagar University said the slowdown is linked to deeper problems in

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the economy: fewer investments, political uncertainty, and persistent inflation.

"Investment has slowed, and so has hiring," he said. "The number of workers hasn't gone down, but the number of available jobs has. When demand for labour falls and supply stays the same, wage growth naturally slows."

He said many businesses are holding off on new projects as they wait to see what happens after the upcoming national election.

"Businesses are following a wait-and-see approach. They want to know which government will come next and what

economic policies will follow before they commit new money," he said.

For many low-income workers, the result is a shrinking household budget. The prices of food, rent, and daily essentials have risen so fast that even a pay raise feels meaningless.

"If this continues, millions of low-income workers could face serious nutritional deficits," Rahman warned.

According to a report released earlier this year by the Food and Agriculture Organization of the United Nations (FAO) on Bangladesh, the number of people in Bangladesh facing high levels of acute food insecurity increased by 70 lakh to 2.36 crore in December last year, compared to 1.65 crore during the April-October period of 2024.

Rahman said the danger now is that falling real incomes will also weaken consumer demand, which could slow the overall economy. "We are seeing signs of a slowdown in trade, import export, construction, and even in government development spending," he said. "All of this has combined to suppress labour demand."

Economists say the prolonged erosion of purchasing power could have wider effects on the economy. When people spend less, demand weakens, which in turn discourages businesses from expanding or hiring. This can create a cycle of slow growth and falling real wages that is difficult to break.

They say the situation requires coordinated policy interventions, including measures to boost labour demand and targeted support for low-income households.

"Without a meaningful slowdown in inflation or a boost in productivity, the real income squeeze will only worsen in the coming months," said Hussain.

Rahman is hopeful that better days will come after the national election.

READ MORE ON B2

Why you need to be bored

MAHTAB UDDIN AHMED

If you ever find yourself stuck in traffic at Mohakhali Flyover, you will probably notice your hand reaching for your phone before the CNG ahead even coughs out a cloud of black smoke. It does not matter whether it is TikTok, Facebook or your cousin's wedding album from 2013. Anything seems better than staring at the back of a truck that proudly declares "Whole Bangladesh Five Tonne" in red paint. We are a nation that would rather risk a phone snatcher than risk being bored.

This fear of boredom is not mine alone. Arthur Brooks, a Harvard professor, calls boredom a lost skill. When we are not busy, a quiet part of the brain switches on. It is called the default mode network. This is when uncomfortable but necessary thoughts surface. Questions about purpose. Questions about meaning. Questions we usually try to silence with a glowing screen.

I once tried a bold experiment in my own boardroom. I asked my CXOs to leave their phones outside during weekly meetings. In my imagination, this was going to be a historic leadership moment.

People would listen deeply, reflect more and share better ideas. What I actually got was a group of accomplished executives shifting in their chairs like students in detention. Their eyes looked lost, as if the world outside had ended.

To be fair, listening and learning did improve. Ideas became clearer. Discussions were sharper.

But judging from their faces, they were suffering silently. A few later admitted it felt useful. Most others probably cursed me in their quiet. That is the thing about boredom. It helps us grow, but it rarely feels good while it is happening.

There is real science behind this discomfort. In one experiment by Dan Gilbert, people were asked to sit quietly in a room for fifteen minutes with nothing to do. The only other option was a button that gave a mild electric shock. A majority pressed the button. Pain felt easier than silence.

We may laugh at that, but it is exactly what we do every day. The moment we are still, we pick up the phone. We scroll through weddings, lunches, bad selfies and political dramas to escape the sound of our own thoughts. In doing so, we silence the part of the mind that asks big questions. We make life noisier but emptier.

When we remove boredom, we also remove the space where meaning grows. Over time, noise erodes clarity. Anxiety and emptiness creep in. It is like living in a house where the television is always on. Slowly, we forget how silence sounds.

Brooks calls this the doom loop of meaning. His advice is simple. Allow boredom to return. Do it deliberately. Take a walk without your phone or headphones, sit in the car without music or podcasts, and give your brain at least fifteen quiet minutes each day.

At first, it will feel like torture. Your brain will scream like a hungry baby. But slowly, it will calm down. Your thoughts will settle. You will notice things you missed before. A face. A sound. A question you were avoiding. Work may start to feel less dull. Life may begin to feel more real.

Boredom is not your enemy. It is a quiet friend you have been ignoring. It is the doorway to reflection, imagination and uncomfortable but honest truths. Those phone-free meetings did not make me the most popular person in the room, but they gave us something rare: moments of silence, moments of clarity and moments of real listening.

We spend so much time running away from boredom that we forget it is not chasing us. It is waiting for us to pause. In a world drowning in noise, boredom may be the simplest and strongest way to find our way back to ourselves.

The writer is the president of the Institute of Cost and Management Accountants of Bangladesh and founder of BuildCon Consultancies Ltd

TREND OF INFLATION AND WAGE GROWTH (In %)



SOURCE: BBS



China strikes at West's softest rare-earths spot

REUTERS, Hong Kong

The world may be underestimating the difficulty of loosening China's stranglehold on critical minerals. Mining stocks in Australia surged this week following a landmark deal between Prime Minister Anthony Albanese and US President Donald Trump, who declared that in about a year "we'll have so much critical mineral and rare earths that you won't know what to do with them." While these initiatives look promising, Beijing's intensifying clampdown on technology and talent risks stalling momentum.

The bilateral pact, through which both countries have pledged roughly \$4 billion in taxpayer money for mining and processing, is the latest government-led effort to break the world's reliance on China. The world's second-largest economy produces over 90 percent of global refined rare earths and rare earth magnets, which are vital to electric vehicles, electronics, precision-guided missiles and more. It's a small market, with 2024 production totalling just \$6.5 billion, analysts at Goldman Sachs estimate. But given its importance across so many industries, the bank calculates that just a 10 percent disruption in those sectors could result in \$150 billion of lost output.

An often-used refrain is that rare earths are not rare, but that is only partially true. Of the 17 types, less than half are classified as "light". They're generally more abundant, and easier to mine and refine.

Typical uses include making certain magnets, polishing agents for glass and some batteries. By contrast, the other category of more valuable medium and heavy rare earths are almost exclusively found in China and Myanmar. They're more complex to process and are vital to high-performance magnets and military-grade weapons and systems.

Even before Washington's latest deal with Canberra, Australia had emerged as a promising contender in producing some heavier metals, specifically dysprosium and

terbium. Earlier this year, \$12 billion Lynas Rare Earths became the first commercial producer of those separated rare earths outside China. There are also promising deposits in Madagascar, Greenland, Vietnam and elsewhere, but developing those new mines will require up to 10 years, per Goldman Sachs analysts.

And once the sites are up and running, China's biggest chokehold is in midstream processing, where the mined ore is separated into individual rare earth elements and then refined into high-purity oxides or metals.



A handout photo received on October 21 from Lynas Rare Earths Limited shows the company's rare earths mine located at Mount Weld in Western Australia. PHOTO: AFP

Building and ramping up refineries takes around five years, Goldman Sachs reckons. Today, firms from the People's Republic, led by state-backed behemoth China Rare Earth Group, effectively control 98 percent of the world's heavy rare earth processing capacity.

The urgency to break free from China's hold will only rise. Earlier this month, Beijing unveiled sweeping export controls that will grant Chinese authorities extraterritorial control over certain critical minerals including 12 types of rare earths, most of them heavy, as well as related production technology and equipment covering processing, recycling, magnet manufacturing and more.

The new rules, which partly go into effect in December, will give authorities greater oversight on where shipments end up, even if a foreign-made product only contains trace amounts of Chinese-origin materials, or was made using Chinese technology and tools.

As a result, Beijing has powerful leverage ahead of trade talks with Washington. It also makes it harder for businesses to find workarounds by stockpiling and re-routing supplies. The Pentagon plans to spend \$1 billion to replenish national critical minerals inventories, the Financial Times reported in October. And one study found that following China's 2024 ban of germanium and gallium to the United States, both critical materials continued to make their way to American firms, probably thanks to re-export hubs like Belgium.