

Bank Asia's nine-month profit tops 2024 total

STAR BUSINESS REPORT

Bank Asia posted a 71 percent year-on-year surge in profit for the first nine months of the 2025 financial year, driven by higher investment income.

The private commercial bank logged Tk 351 crore in net profit in the January-September period of the current financial year, surpassing its full-year earnings in 2024, according to its financial statements published yesterday.

The bank posted Tk 277 crore in net profit last year, while its earnings stood at Tk 205 crore in the first three quarters of 2024.

Bank Asia became the second lender after BRAC Bank to report higher profits in the first three quarters than in the full year of 2024.

BRAC Bank's profit stood at Tk 1,536 crore in the January-September period of this year, up from Tk 1,432 crore recorded in 2024.

Bank Asia said its operating profit rose due to higher investment income, which helped offset the decline in interest income and the rise in operational expenses. This ultimately lifted its earnings per share.

Premier Bank posts Tk 541cr loss in Q3

STAR BUSINESS REPORT

Premier Bank Ltd reported a sharp loss in the July-September quarter as rising interest expenses eroded earnings.

The bank posted a consolidated loss of Tk 541 crore for the quarter, compared with a profit of Tk 54 crore in the same period a year earlier.

Consolidated loss per share stood at Tk 4.39, against earnings per share of Tk 0.44 in July-September 2024.

The bank said the decline was mainly due to higher interest expenses.

For the nine months to September, consolidated net operating cash flow per share (NOCFPS) was negative Tk 22.73, compared with negative Tk 4.66 in the same period of 2024.

The deterioration reflected lower interest income received in cash and higher interest paid, according to the financial statement.

As of September 30, 2025, sponsors and directors held 23.92 percent of the shares, institutions 22.06 percent, foreign investors 0.29 percent, and the public 53.73 percent.



The environment ministry has imposed 12 conditions on tourism in Saint Martin's island, including limit on visitor numbers, travel schedules, and bans on single-use plastics and disruptive activities.

PHOTO: MD SOHEL

Tourists can visit St Martin's from Nov, but it 'really' opens in Dec

MOKAMMEL SHUVO

Saint Martin's, one of the most coveted tourist spots in the country, is set to reopen next week after months of closure. Tourists will once again be able to enjoy the serene beauty of Bangladesh's only coral island. But the news has brought little excitement for the host community, even though tourism remains one of their main sources of livelihood. For them, the season does not truly begin until December.

While the government will allow tourists to visit, no one will be permitted to stay overnight in November, according to a notification issued by the Ministry of Environment, Forest and Climate Change on October 22. The announcement came with 12 conditions, including a ban on single-use plastics.

Besides, the number of daily visitors has been capped at 2,000 this season as part of the government's new conservation plan for the island.

Ship operations have also come under stricter regulatory control. To operate any vessel to Saint Martin's, the Bangladesh Inland Water Transport Authority (BIWTA) will require prior approval from the ministry. Tickets must be purchased through the Bangladesh Tourism Board's official web portal, which has yet to become operational. Each visitor must carry a travel pass and a QR code; tickets without QR codes will be considered invalid.

Full tourism operations, including overnight accommodation, will be allowed in December and January before the island is closed again in February.

By any standard, November doesn't offer much enthusiasm to resort operators. After all, few tourists are willing to travel for half a day just for a few hours of sightseeing.

"We're getting lots of phone calls from tourists asking if they can stay in November, but as it's not allowed, we can't take any bookings," said Taiyabul Ullah, who manages

the family-run Mermaid Saint Martin Resort on the island's north beach. "It's not much of a season if people can't even stay."

"December-January is our main season. We will start preparing, including renovation and decoration works, from mid-November. Essentials like bed sheets and supplies will also be bought around that time. It'll be a waste if we prepare too early," he added.

For islanders who depend almost entirely on visitors, the November schedule effectively shrinks the tourism window to two months.



"Many families here live entirely off the tourism season," Ullah said. "If we only get business in December and January, that income doesn't stretch for the rest of the year. Life becomes very difficult."

During the peak months, around eight to ten cruise ships usually operate between Cox's Bazar and Saint Martin's Island. Two of them are run by the Karnaphuli Group, managed by Hossainul Islam Bahadur. But for now, he says, operations remain uncertain.

"We haven't yet made a final decision about November operations," Bahadur said. "If a ship leaves the BIWTA jetty in Cox's Bazar at 7:00am, it reaches the island at around 2:00pm. Our ships take about seven hours, but some others take nearly ten hours. A same-day round trip is almost impossible."

"Tourists are also not interested in such short trips; it's not practical. Moreover, the registration website for tourists hasn't been

launched yet, so we're in a bit of uncertainty," he added. Bahadur hopes to resume full cruise services when the season truly kicks off in December and January.

Some cruise operators from Chattogram offer overnight packages on specific days, where tourists sleep onboard anchored ships near the island. But locals say those numbers are small and aren't nearly enough to sustain the hundreds of small resorts, restaurants, and shops.

MD Sohel, owner of Green Beach Resort on the island, said, "We don't expect many tourists to come in November. But we're fully preparing for December and January."

But there are things to fear even during the full season.

"Allowing only 2,000 overnight tourists per day will limit business for small, locally owned resorts like mine. Most visitors prefer staying in large resorts built by outside investors near the beach," he said.

"The island has accommodation capacity for about 8,000 to 10,000 people. Smaller resorts will likely have to offer discounts to attract guests, which might make it difficult to cover expenses," he added.

However, the government has time and again clarified its stance on protecting the natural habitat of the island. Environmentalists have long warned that uncontrolled tourism — especially unregulated hotel construction, waste dumping, and coral extraction — has caused serious damage to the island's delicate ecosystem.

Zamir Uddin, director of the Department of Environment in Cox's Bazar, said officials will strictly monitor tourism activities to ensure they follow ministry guidelines.

"The Ministry of Tourism is working on setting up the online registration process for visitors," he said. "All operations will be closely regulated to protect the island's ecosystem."

For now, the host community is waiting. As the first permitted boats prepare to sail in early November, most resort owners are keeping their doors shut, watching the waves roll in and the skies clear.

Future of banking

PARVEZ MURSHED

The global banking industry is undergoing transformative change. This shift, driven by technology and artificial intelligence (AI), is reshaping many long-established banking practices. Here are some of the key trends shaping the sector worldwide.

Trade finance, for instance, is evolving into automated digital platforms that enable seamless transaction processing. These platforms connect enterprise clients and their entire ecosystems, like suppliers, distributors and others, to banks and funders, reducing the cost of financing. They may be bank-led or independent marketplaces providing funding opportunities for micro, small and medium-sized enterprises.

With the rise of the internet and mobile banking, visiting a physical branch may soon become a thing of the past. Millennials and Gen Z, who are mobile-first and constantly online, prefer to carry out all their transactions through apps. In Bangladesh, with its large young population, banks should act now to engage this generation through digital channels. For those who still rely on cash, ATMs and cash deposit machines can facilitate basic transactions without the need to visit branches.

Cash is costly for banks to manage. One solution could be introducing a small transaction charge, such as 0.15 percent for deposits or withdrawals above

a certain threshold, say Tk 10,000, and setting a cap on the number of monthly cash transactions. Small retailers often reject card payments due to the 2 percent fee, which eats into their slim margins. A pilot scheme could waive charges for card and QR code-based transactions for several years to help retailers transition from cash to digital payments more affordably.

As Bangladesh moves towards a cashless economy, there is a strong case for introducing a "Digital Taka." A central bank issued digital currency (CBDC) would make 24/7 fund transfers possible while ensuring the trust and stability lacking in privately issued digital currencies or stablecoins. Bangladesh could also explore bringing in worker remittances through global banks with 24/7 cross-border USD clearing capabilities.

Most banks still rely on manual, paper-based account opening. This is outdated, especially when the National ID already includes a photograph. The entire process should be digitised so that customers can open accounts directly through a mobile app by filling in the required fields.

Artificial intelligence and emerging technologies are also transforming banking operations. Blockchain is being used in documentary trade transactions, while digital signatures through tools like DocuSign simplify account opening and contract signing. Optical character recognition (OCR) converts manual documents into a digital format swiftly, and AI helps detect fraud and identify emerging credit risks early. Moving from physical servers to cloud-based systems can also cut technology costs significantly.

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United Power profit rises 47% on lower costs

STAR BUSINESS REPORT

United Power Generation and Distribution Company's profit grew 47 percent for the year ended June 30, 2025, buoyed by stable foreign exchange rates, higher production, and lower finance costs.

The company's consolidated earnings per share rose to Tk 20.66 from Tk 14.01 a year earlier, which the power producer attributed to increased output, bulk tariff gains, and reduced financing expenses, according to a recent price-sensitive information disclosure.

The net operating cash flow per share surged to Tk 18.61 from a negative Tk 0.88 in the previous year, reflecting substantial cash collections from outstanding receivables, the company said.

The board recommended a 65 percent cash dividend for shareholders, up 5 percentage points from 2024.

As of September 30, 2025, sponsors and directors held 90 percent of the shares, institutions 7.40 percent, foreign investors 0.01 percent, and the public 2.59 percent, as per Dhaka Stock Exchange data.

The company, part of United Group, is one of Bangladesh's leading private power producers. It operates multiple plants, including Dhaka and Chattogram EPZ units, supplying electricity to industries and contributing to the national grid.

Rich country debt will spur tax and price hikes

REUTERS, Timos

Government borrowing is unsustainable in the United States and much of Europe. There is also huge pressure to increase spending on climate, defence and ageing populations. Some mixture of higher taxes and inflation will ultimately be unavoidable.

Global public debt as a percentage of output has been rising almost without a break since the mid-1970s. It will reach over 100 percent of GDP by 2030, the highest level since World War Two, according to a forecast by the International Monetary Fund.

The problem is that governments are spending more than they are raising in taxes. Borrowing can only be sustainable if it is stable or falling as a percentage of gross domestic product. But that is only true if the annual budget deficit as a proportion of output is equal or less than nominal growth — an economy's growth rate before adjusting for inflation.

Among the Group of Seven rich countries, the United States, France and the United Kingdom have the biggest problems. Their governments' deficits are forecast to be 7.4 percent, 5.4 percent and 4.3 percent of GDP this year respectively, according to the IMF. Meanwhile, their economies' sustainable nominal growth rates are probably no more than 4 percent, assuming both growth

and inflation of 2 percent. With debt at 121 percent, 113 percent and 101 percent of GDP respectively in 2024, something will have to change.

The other G7 countries' debts are not on an upward path because their annual deficits are more or less under control. But

Japan's debt at 237 percent of GDP and Italy's at 135 percent are uncomfortably high. Only Germany and Canada are in reasonable shape.

An unsustainable debt load does not necessarily lead to a financial crisis. Rich countries typically have a lot of rope with

which to hang themselves. This is especially true of countries which print their own currencies, such as the United States, the United Kingdom and Japan. It is less so of France and Italy, which must live by the monetary policy set by the European Central Bank.

But even if the day of reckoning is not round the corner, borrowing cannot rise forever. The problem is that there are few easy ways to bring it under control.

The best option would be to increase growth. But unless artificial intelligence provides a miraculous boost to their economies, rich countries seem more likely to slow down in the coming years — not least because US President Donald Trump is undermining the world trading system with his tariffs.

Another option is to cut government spending. But there is massive public resistance to this. Just look at how France is unwilling to put up the age at which its citizens receive pensions.

In fact, "structural headwinds" could boost public spending by around 3 percent of GDP in coming years, according to Erik Nielsen, senior advisor at Independent Economics.

The biggest items are ageing populations which push up pension and healthcare costs, defence spending, climate-related outlays, and infrastructure.



PHOTO: AFP/FILE

A customer buys grocery at a store in Montpellier, a city in southern France. Many euro zone countries with unsustainable debt loads are most likely to end up raising taxes.