

Star BUSINESS



Cross-platform MFS rollout misses deadline

Key players not ready

UPDATES

- bKash requested three more months for server complications
- upay needs 15 more days for system migration
- Rocket (DBBL) is still in the testing stage
- Nagad has been denied NPSB connectivity

BB first launched interoperability in 2020, but it was later suspended

MD MEHEDI HASAN

The eagerly anticipated interoperable digital transaction facility among mobile financial service (MFS) providers has not launched on schedule, despite an announcement by the central bank that it would go live on November 1. Industry insiders told The Daily Star that the service could not go live as key MFS operators are not yet ready, while Nagad, one of the country's largest providers, has not been permitted to participate.

still in the testing phase. upay has asked Bangladesh Bank (BB) for an additional two weeks. "We need another 15 days to launch the service due to system migration," said Md Abdullah Al Mamoon, director of UCB Fintech. "We will inform the central bank about our delay soon." bKash, on the other hand, has requested three more months as it is facing server-related complications, according to a senior official of BB's Payment

SONARGAON STEELS LIMITED

Angle | Channel | Plain Bar

A Product Of RAHIM GROUP | Hotline: 01958 083 601

In mid-October, Bangladesh Bank issued a circular stating that from November 1, customers would be able to send and withdraw funds between different MFS providers, banks, and payment service providers via the National Payment Switch Bangladesh (NPSB). **NO MAJOR MFS READY** As of yesterday, no major MFS providers were fully prepared to launch the service. Both bKash, the largest MFS provider in the country, and upay, the digital financial service of UCB Fintech Company owned by United Commercial Bank, have sought more time to launch the service. Rocket, Dutch-Bangla Bank Ltd's (DBBL) mobile banking service, is

Systems Department. Shamsuddin Haider Dalim, bKash's head of corporate communications and PR, said the provider is working with BB to adopt the latest version of the interoperability framework. "We are emphasising strong authentication and layered security features to enable seamless transactions and handle disputes, if any," he said, adding that the company hopes customers will be able to use the service in full "soon." Meanwhile, DBBL's Rocket is waiting for the regulator's nod. "We started live testing but are waiting for the central bank's green

READ MORE ON B3

Global firms see sales rise in Bangladesh but profits stay weak

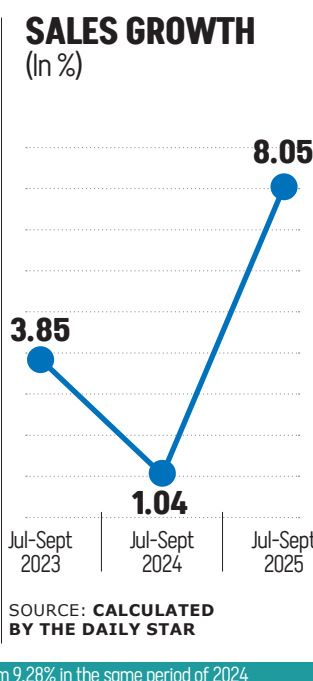
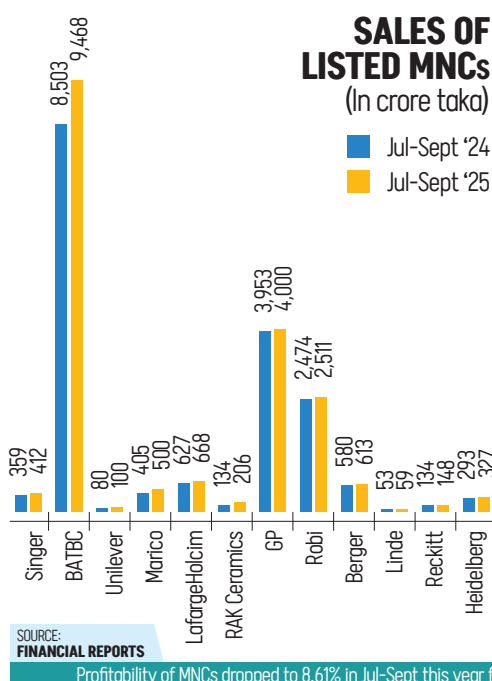
People are buying more again, but high inflation, costly raw material imports and political uncertainty continue to weigh on earnings

AHSAN HABIB and FEDA AL HOSSAIN

Things are improving for international companies running businesses in Bangladesh as consumer demand begins to recover. People are buying more products ranging from paints to tobacco and malted milk drinks. Even though sales have risen, profits have not grown much. Investment experts view the development as a sign of economic recovery. Multinational companies also expressed optimism about business prospects in the coming months.

According to financial reports by 12 multinational companies, their combined sales grew by 8 percent in the July-September period of this year. By comparison, their sales increased by 1 percent in 2024 and 3 percent in 2023.

However, profitability by the multinationals, which is measured as profit relative to sales, fell in the



SOURCE: FINANCIAL REPORTS
Profitability of MNCs dropped to 8.61% in Jul-Sept this year from 9.28% in the same period of 2024

HALAL SAVINGS THRIVING FUTURE

Prime Bank | HASANAH ISLAMIC BANKING | البنكية الإسلامية

Shariah-compliant islami banking products with excellent account features, attractive provisional profit and digital banking services.

Mudaraba

Savings, scheme & term deposit accounts

Al-Wadeeah

Current & business accounts

Digital

Hasanah MyPrime

AAOIFI | 24/7 Helpline 16218 | Sign Language Water Call Service 013 211 16218 (9 AM - 4 PM)

current fiscal year, due mainly to higher raw material costs and finance charges. Combined profitability fell from 9.28 percent in the first quarter of 2024 to 8.61 percent in Q1 of FY26, according to the financial reports. The multinational companies are Grameenphone, British American Tobacco, Robi, LafargeHolcim, Berger Paints, Marico, Singer, Heidelberg Cement, RAK Ceramics, Reckitt Benckiser, Unilever Consumer Care Limited, and Linde Bangladesh. The companies say their sales were

hit last year amid nationwide student-led protests, violent crackdowns, curfews, and the eventual fall of the government. On the other hand, they say low growth in 2023 was caused by a severe dollar shortage and stubbornly high inflation. Despite the decline in profitability, the combined profits of the multinationals rose slightly to Tk 1,637 crore in the first quarter of fiscal year 2025-26, up from Tk 1,633 crore in Q1 of FY25. In these accounts, profits of Linde

Bangladesh were excluded due to an exceptionally high one-off gain in the previous year. Iqbal Chowdhury, CEO of LafargeHolcim Bangladesh, told The Daily Star that high sales growth this year partly reflects the low base from the previous period. "In some cases, inflation and volume growth also contributed to sales growth, which differs from sector to sector," he said. For example, in the cement industry, sales volumes increased

READ MORE ON B3

Steel demand weak for three years

BigMint projects a turnaround in FY27

JAGARAN CHAKMA

In the past three years, the steel business has been a casualty of economic and political crises, according to BigMint. The India-based market intelligence firm says demand for steel, a proxy for economic vibrancy and growth, may take two years to normalise. Steelmakers say the timeline of the local steel industry adequately mirrors the major internal and external shocks the economy experienced in the past years. First came Covid-19, then the Russia-Ukraine war-led disruptions to the scrap market. On the home front, a weakening taka, belt-tightening in public spending and other macro stresses added an extra layer to the situation. The political changeover in August last year complicated the already tough conditions for



IPDC ডিপোজিট | ১৬৫১৯

steelmakers further as development spending nosedived. Meanwhile, prolonged high inflation, higher interest rates and political uncertainty dampened the real estate business and private sector construction. Currently, the local steel industry can produce 1.36 crore tonnes per year, while demand has fallen to just 45 lakh tonnes, according to BigMint. It says that despite the current slump, optimism persists. The World Bank, while projecting 4.8 percent economic growth in FY2025-26, said the rate may rise to 6.3 percent in FY 2026-27. "Currently, all eyes are on the general elections in February 2026. Several infrastructure projects are in the pipeline, and the steel industry is waiting for execution to start," it adds.

By 2027, another 30 lakh tonnes of capacity is expected to be added to the overall capacity. However, industry insiders say continued investment in steelmaking without demand alignment poses significant risks. In 2025, crude steel production is forecast to fall by 11 percent year on year, following a 10 percent drop in 2024. Industry insiders said if this downturn continues, the sector could shrink to a handful of dominant players. Such consolidation would hurt competition and push aside the smaller mills that helped shape the industry. Recently, one of the leading manufacturers, Abul Khair Steel (AKS), has expanded its capacity with a new plant producing 16 lakh tonnes of deformed bars annually. This has raised its total capacity to 30 lakh tonnes a year, making it the largest producer in the country. BSRM follows with a capacity of 24 lakh tonnes. Tapan Sengupta, deputy managing director of BSRM, said, "The industry is

limping along." "Unless government spending, particularly on development projects, increases, the sector would not regain its vibrancy," he said. Sengupta said the BigMint report accurately reflects current conditions, adding that prolonged inactivity in construction and infrastructure has taken a heavy toll on steel consumption. Sumon Chowdhury, chairman of RRM Steel and secretary of the Bangladesh Steel Manufacturers Association (BSMA), said, "Production has been adjusted in line with market realities due to slow construction activity and liquidity constraints." Chowdhury said these challenges are not unique to Bangladesh. Many developing economies are facing similar conditions. He said excess capacity remains the most pressing threat. While annual capacity has reached 1.36 crore tonnes, demand has slumped to around 45 lakh tonnes, compared with 75 lakh tonnes during the peak of mega projects.

READ MORE ON B3

Govt launches major reforms to boost SMEs

STAR BUSINESS REPORT

The interim government has taken a number of measures to transform the small and medium enterprise (SME) sector into the main driving force of the Bangladesh economy, the Chief Adviser's Office (CAO) said in a statement yesterday. As part of the measures, the government has scrapped the rule that required entrepreneurs to keep 10 percent of export proceeds in banks on a compulsory basis. It has also sent a proposal to Bangladesh Bank (BB), requesting the maintenance of a foreign currency quota of a minimum of \$3,000 annually for entrepreneurs to enable them to conduct international business. The decisions were taken at meetings of the Investment Coordination Committee, chaired by Lutfe Siddiqi, special envoy on international affairs to the CA.

42

অর্জনের অপ্রগতি, বছরের প্রথম ৯ মাসেই

১০,১০০+ কোটি

টাকার নেট ডিপোজিট প্রবৃদ্ধি

টাকার নেট ডিপোজিট প্রবৃদ্ধি

উৎসর্গিত উপর ভিত্তি করে অর্থসচিবের অফিসে অর্থসচিবের কার্যালয়ে আনুষ্ঠানিকভাবে কৃত।

16419

Bangladesh Bank Governor Ahsan H Mansur and National Board of Revenue Chairman Md Abdur Rahman Khan attended the meetings, along with representatives from the government and private sectors. The CA's office said decisions were taken to design SME-friendly products, conduct a feasibility study on providing loans of up to Tk 5 lakh without a trade licence, and review the interest rate on loans for small businesses. The statement said a number of decisions — such as strengthening the NBR's monitoring to expedite and simplify the sample clearance process — are under implementation.

READ MORE ON B3

Eastern Bank PLC.

introducing EBL Green Account

with Bangladesh's first 100% Recycled Debit Card

VISA

16230

Max 5 SIM cards per NID from next year

MAHMUDUL HASAN

From January next year, one person will be allowed to register and use a maximum of five personal SIM cards under a single national ID (NID), according to a decision by the Bangladesh Telecommunication Regulatory Commission (BTRC). At present, each citizen can register up to 10 SIM cards under one NID. The regulator took the decision at a recent communication meeting, where members discussed the current law and order situation and concerns raised by the home ministry over the use of SIM cards in criminal activities, according to a document.

At present, each citizen can register up to 10 SIM cards under one NID

Once approved, the BTRC will instruct mobile network operators to enforce the rule for all new registrations starting in 2026. This marks the second major tightening of Bangladesh's SIM registration policy within a year. Earlier, in April 2025, the BTRC decided to reduce the ceiling from 15 SIMs to 10 per NID, a move that has already come into effect, with a 45-day grace period for users to deregister excess numbers. The regulator has also launched a nationwide campaign urging subscribers to comply by October 30.

Prime Bank signs payroll deal with SQ Lights

STAR BUSINESS DESK

Prime Bank PLC has signed a payroll agreement with SQ Lights Limited, a subsidiary of the SQ Group of Companies.

M Nazeem A Choudhury, deputy managing director of Prime Bank PLC, and AZM Monjurul Quader, chairman of SQ Lights Limited, signed the agreement at the bank's corporate office in Dhaka recently, according to a press release.

Under the agreement, employees of SQ Lights Limited will enjoy a range of banking privileges from Prime Bank, including preferential services as well as credit card and loan facilities.

They will also have access to PrimePay,

the bank's state-of-the-art digital payroll platform that enables seamless and automated salary disbursement along with convenient, round-the-clock corporate payment solutions.

Mamur Ahmed, senior executive vice-president and head of distribution network at the bank; Md Enamul Kabir, executive vice-president and regional head; Md Rashaduzzaman, executive vice-president, commercial banking division; Hasina Fardous, vice-president and head of payroll banking; and Mohammad Mamunur Rashid Chowdhury, chief financial officer of SQ Lights Limited, along with other senior officials from both organisations, were also present.



AZM Monjurul Quader, chairman of SQ Lights Limited, and M Nazeem A Choudhury, deputy managing director of Prime Bank PLC, pose for photographs after signing the agreement at the bank's corporate office in Dhaka recently. PHOTO: PRIME BANK

Mastercard unveils co-branded credit card with Southeast Bank, SSLCOMMERZ



Syed Mohammad Kamal, country manager of Mastercard Bangladesh; Abidur Rahman Chowdhury, managing director (current charge) of Southeast Bank PLC, and Sayeeful Islam, managing director of SSL Wireless, attend the launch of the co-branded "SME Mastercard Credit Card" in Dhaka yesterday. PHOTO: MASTERCARD

STAR BUSINESS DESK

Global digital payment solutions provider Mastercard, in partnership with Southeast Bank PLC and SSLCOMMERZ, has launched a co-branded card named "SME Mastercard Credit Card" designed for small and medium entrepreneurs onboarded through SSLCOMMERZ's payment platform.

The card aims to simplify financial management for business owners across Bangladesh by enabling convenient digital transactions both locally and internationally.

Abidur Rahman Chowdhury, managing director (current charge) of Southeast Bank PLC; Syed Mohammad Kamal, country manager of Mastercard Bangladesh; and Sayeeful Islam,

managing director of SSL Wireless, jointly inaugurated the credit card in Dhaka yesterday, according to a press release.

Through Mastercard's secure global payment network, cardholders will also enjoy exclusive domestic and cross-border discount benefits from Southeast Bank and Mastercard's network of more than 9,500 merchant partners nationwide.

Itekhhar Alam Ishaque, chief executive officer of SSL Wireless; Zakia Sultana, director of Mastercard; Jubara Hossain, lead of merchant and commerce; and Md Abdus Sabur Khan, senior executive vice-president and head of cards division at the bank, along with senior officials from the three organisations, were also present.

G7 'serious' about confronting China's critical mineral dominance

AFP, Toronto

The G7 announced two dozen new projects Friday aimed at reducing China's dominance of critical mineral supply chains, as Canada's energy minister vowed the alliance was "serious" about reforming the global market.

The deals, announced as Group of Seven energy ministers concluded a meeting in Toronto, involve a range of metals essential to high-tech products, including the rare earth materials where China has built outsized control.

The initial steps taken by the newly launched G7 Critical Minerals Production Alliance "sends the world a very clear message," Canada's Energy Minister Tim Hodgson told reporters.

"We are serious about reducing market concentration and dependencies," he said, referencing China.

Ministers from Britain, Canada, France, Germany, Italy, Japan, and the United States met in Toronto after US President Donald Trump and China's President Xi Jinping reached a deal that will see Beijing suspend certain rare earth export restrictions for at least one year.

Rare earths are needed to make the magnets used in a range of sophisticated products, and the prospect of China limiting exports had rattled markets.

Rare earths are needed to make the magnets used in a range of sophisticated products, and the prospect of China limiting exports had rattled markets

China has overwhelming dominance in the processing of rare earths, and Hodgson conceded that broadening supply chains would take time.

He said the goal was building systems that stretch from "from mine to magnet."

"That doesn't exist in the West today...It will take time," he said.

The 26 projects announced include partnerships across the G7 and its allies, but the United States has not initially signed on to a specific arrangement.

By US Energy Secretary Chris Wright, who attended the meeting, had earlier told reporters that Trump's administration was in full alignment with G7 allies on countering China's market influence.

There was "no disagreement within the group," Wright said.

He also said the G7 will have to use "non-market" tactics to counter China's position.

"China, frankly, just used non-market practices to squish the rest of the world out of manufacturing those products, so it got strategic leverage. Everybody sees that now," Wright told reporters.

"We need to establish our own ability to mine, process, refine, and create the products that come out of rare earth elements," Wright said.

"We're going to have to intervene and use some non-market forces."

Repeating a widely shared accusation made against Beijing, Wright said China had used its rare earth stockpiles to manipulate global prices.

Mercantile Bank strikes cash management deal with Esquire Electronics

STAR BUSINESS DESK

Mercantile Bank PLC has signed a cash management agreement with Esquire Electronics Limited, an electrical and electronic manufacturing company in Bangladesh.

Md Zahid Hossain, deputy managing director and chief business officer of Mercantile Bank PLC, and Arifur Rahman, managing director of Esquire Electronics Limited, signed the agreement at the bank's head office in Dhaka recently, according to a press release.

Mati Ul Hasan, managing director of the bank, attended the signing ceremony as the chief guest.

Under the agreement, Mercantile

Bank will provide cash management services to Esquire Electronics and its customers through the bank's branches, sub-branches, agent outlets, mobile banking app Rainbow, and mobile financial service MyCash.

All outlets of Esquire Electronics across the country will be able to avail the services conveniently.

Zakir Hossain and Ashim Kumar Saha, deputy managing directors of the bank; Mohammad Faruque Ahmed, head of corporate banking; KM Anowarul Islam, head of corporate liability and cash management; Ashim Kumar Saha, head of retail banking; Darpan Kanti Roy, head of agent and mobile banking; and Al Mansur, manager of Tejgaon Gulshan Link Road Branch, were present at the event.



Arifur Rahman, managing director of Esquire Electronics Limited, and Md Zahid Hossain, deputy managing director and chief business officer of Mercantile Bank PLC, pose for photographs after signing the agreement at the bank's head office in Dhaka recently. PHOTO: MERCANTILE BANK



Manzurul Islam, chairman of Eastern Housing Limited, presides over the company's 61st annual general meeting recently. At the AGM, the company announced a 25 percent cash dividend for 2025. PHOTO: EASTERN HOUSING

Eastern Housing declares 25% cash dividend

STAR BUSINESS DESK

Eastern Housing Limited, a public limited company engaged in real estate development in Bangladesh, has announced a 25 percent cash dividend for the year that ended on June 30, 2025.

The announcement was made at the company's 61st annual general meeting (AGM), which was held virtually recently, according to a press release. Manzurul Islam, chairman of Eastern Housing Limited, presided over the meeting as the chief guest.

The company reported net sales of Tk 303.08 crore, up from Tk 274.99 crore in the previous year. Net profit after tax rose to Tk 77.22 crore from Tk 56.38 crore a year ago. Earnings per share (EPS) stood at Tk 8.27, compared to Tk 6.06 in the previous year.

Suraiya Islam, Abu Luthfi Fazle Rahim Khan, Abdur Rahim Choudhury, and Mostafizur Rahman, directors; Md Rafiqul Islam, Muhammad Shahidul Islam Khan, and Lutfa Begum, independent directors; Dhiraj Malakar, managing director; Salim Ahmed, company secretary; and Md Asadul Islam, chief financial officer, along with a large number of shareholders, joined the meeting.

Yen faces worst monthly drop since July

REUTERS, New York

The Japanese yen was heading for a monthly loss against the US dollar on Friday after the Bank of Japan disappointed traders hoping for a more hawkish stance on future rate hikes, while the Federal Reserve dampened expectations for a December rate cut.

The yen clawed back some losses after Japanese Finance Minister Satsuki Katayama said the government has been monitoring foreign exchange movements with a high sense of urgency as the yen weakens.

Core inflation in Tokyo also accelerated in October and stayed above the central bank's 2 percent target, data showed on Friday.

But disappointment after BOJ Governor Kazuo Ueda adopted a less hawkish tone on future rate hikes than hoped held the yen in check. The Japanese central bank kept rates on hold at 0.5 percent.

Noel Dixon, global macro strategist at State Street Global Markets, said he remains constructive on the yen, adding that "the BOJ ultimately is still going to have to normalize policy at least to 1 percent."

"From a multi-year perspective, wages are definitely higher than they've been ... and the fiscal spending is only going to exacerbate that prospect," Dixon said.

Japan's newly elected leader, Sanae Takaichi, is expected to pursue more fiscally expansive policies to boost economic growth.

The yen was last flat on the day and heading for its worst month since July, with the dollar up 4.2 percent against the currency this month.

The dollar index rose 0.35 percent to 99.82 and is on track for a 2.5 percent monthly gain, its best since July.

BRAC Bank honours top performers for boosting remittance growth

STAR BUSINESS DESK

BRAC Bank PLC has recognised its top performers for their outstanding contribution to driving inward remittance growth and promoting innovative products tailored exclusively for remittance beneficiaries.

A total of 45 individuals, including branch staff, agent banking personnel, sales teams, and agent banking partners, were honoured in various categories for their contributions to the "Probashi Poribar" and "TARA Probashi Poribar" account opening campaign.

These initiatives aim to encourage the use of secure banking channels for remittance inflows and promote savings among beneficiaries, thereby ensuring long-term financial security.

Tareq Refat Ullah Khan, managing director and CEO of BRAC Bank PLC, presented awards to the top performers of the campaign at the bank's head office in Dhaka recently, according to a press release. In his address, Khan said, "We aim

to strengthen Bangladesh's remittance business and contribute positively to the national economy. Our dedicated co-workers are tirelessly encouraging remittance inflows through legal channels. Today's awardees truly deserve this recognition for their relentless efforts."

The event celebrated and motivated employees who played a vital role in reaching customers and ensuring quality banking services.

Both account types offer a wide range of benefits, including free life insurance coverage and monthly interest. Additionally, women customers enjoy extra privileges such as free health and maternity insurance.

These offerings encourage beneficiaries to save their remitted funds, leading to stronger financial well-being and long-term stability.

Md Shaheen Iqbal, deputy managing director and head of treasury, FI, and corporate and institutional banking at the bank; and Shahrear Zamil, head of remittance and probashi banking, along with other senior officials, were also present.



Tareq Refat Ullah Khan, managing director and CEO of BRAC Bank PLC, poses for group photographs with award-winning employees at the bank's head office in Dhaka recently. PHOTO: BRAC BANK



A worker spreads out shredded plastic under the sun to dry. Discarded plastic is sorted based on the chemical properties and colour, shredded into pieces, washed and then placed into machines which melt and inject them into moulds, creating everyday items used around the house. Each kilogramme of such shredded plastic sells for anywhere for Tk 35 to Tk 110. The photo was taken at Aronghata Lata Mor in Khulna recently.

PHOTO: HABIBUR RAHMAN

WEEKLY STOCKS Indices slip as cautious investors reshuffle portfolios

STAR BUSINESS REPORT

Shares on the Dhaka Stock Exchange (DSE) ended lower last week, reversing the previous week's gains, as investors engaged in selective portfolio reallocation amid earnings and dividend disclosures.

The benchmark DSEX index shed 27.67 points, or 0.54 percent, to close at 5,122.22, according to DSE data.

Brokerage house EBL Securities noted in its weekly review that the index struggled to sustain recovery momentum, as selling pressure dominated the early sessions, driven by political and regulatory uncertainties.

"Month-end buying pressure emerged in the latter sessions as earnings and dividend disclosures of the majority of stocks began to entice investor participation, enabling the benchmark index to partially recover from its initial losses," the review said.

Other indices also declined. The DS30, which tracks blue-chip stocks, and the DSES, comprising Shariah-compliant companies, both closed in the red. Turnover, however, showed a modest rise. Weekly turnover stood at Tk 2,286 crore, up from Tk 2,138.71 crore in the previous week.

Average daily turnover inched up 6.9 percent to Tk 457 crore, though market liquidity remained subdued. Investor activity was concentrated in pharmaceuticals, which accounted for 11.9 percent of total turnover, followed by engineering and banking.

Sectoral performance was mixed: the travel sector gained 5.7 percent, the highest for the week, while the paper sector lost 2.4 percent, marking the steepest decline.

Sales of 'services' help Apple beat earnings forecasts

AFP, San Francisco

Apple on Thursday reported profit of \$27.5 billion in the recently ended quarter, powered by iPhone and services revenue.

The net income, along with revenue of \$102.5 billion, beat market expectations, despite a hefty financial hit from US tariffs and a slight ebbing of revenue in China when compared with the same period a year earlier.

"Apple is very proud to report a September quarter revenue record," chief executive Tim Cook said in a release.

Apple shares were up more than 2 percent in after-hours trade that followed release of the earnings figures.

Overall sales of iPhones, the heart of Apple's business, fell shy of market expectations, bringing in \$49 billion in an increase from the same quarter last year.



Apple CEO Tim Cook holds up iPhone 17 Pro during an event at Apple headquarters in California on September 09.

PHOTO: AFP/FILE

The slight miss in iPhone revenue was still "encouraging given the successful iPhone 17 line-up launch" in September, CFRA Research vice president Angelo Zino said in a note to investors.

Apple's services business, which sells digital content and subscriptions to users of its coveted gadgets, generated \$28.8 billion in revenue, an increase of some \$3 billion from the same quarter last year.

Analyst Zino described the performance of Apple's services business as "standout."

"These results come at the close of an extraordinary year for Apple in which we achieved an all-time revenue record of \$416 billion for the fiscal year," Cook said.

"We set an all-time revenue record for iPhone, and in services we achieved all-time records across every geographic segment."

Cook predicted that the current fiscal quarter would be the best ever for Apple.

Cook touted the latest Apple devices and the tech giant's custom chips and efforts to enhance products and services with artificial intelligence.

Cross-platform MFS rollout

FROM PAGE B1
signal for customer-end use," said a senior official of the bank, seeking anonymity.

Nagad officials said they remain unable to join the interoperable platform as they have not been connected to the NPSB.

To enhance customer service, Nagad applied to the regulatory authority for approval to launch interoperability facilities a couple of months ago, said Muhammad Zahidul Islam, head of media and communication at Nagad.

"However, no response has been received yet. As a

result, despite being fully prepared, Nagad has not been able to launch the interoperability service."

Another official, seeking anonymity, said, "We are being kept out of this facility for no apparent reason." They questioned how interoperability could be launched while excluding "the second most popular MFS."

BB Executive Director Arief Hossain Khan told The Daily Star that Nagad is excluded because it still does not have an MFS licence.

The BB spokesperson also confirmed that some

MFS providers, including bKash, requested the central bank for more time to open the service. But the regulator has "not yet approved the time extension to launch the service."

This is not the first time such a service has failed to launch. BB first launched such a facility in 2020 through the NPSB, but it was suspended within hours. Central bank officials said the ICT Division under the previous government ordered the suspension at the time.

Two years later, the ICT Division developed a

new interoperable digital platform called "Binimoy" at a cost of Tk 65 crore and instructed the central bank to operate it. However, the regulator recently scrapped the platform, citing "irregularities and breaches of contract."

Expressing frustration over the latest delay, Rakibul Hasan, an MFS user, said, "We have been hearing since 2020 that this service would be launched, but it still hasn't happened. If the MFS providers are not even ready, then what's the point of making such announcements?"

Global firms see sales rise in Bangladesh

FROM PAGE B1
while prices fell, as high production capacity coincided with weaker demand from government projects, said Chowdhury.

He said companies also offered promotions and incentives to boost sales, which reduced profitability. Rising variable costs, including raw materials, energy, and finance charges, further weighed on earnings.

He added that firms could not fully pass these costs on to customers.

Shahidul Islam, managing director and CEO of VIPB Asset Management Company, said multinational companies usually report double-digit sales growth, which fell after 2022 during "an extremely bad time" for the economy.

High inflation suppressed consumer demand, the dollar crisis affected raw material imports, and political unrest also hurt sales, he commented.

Inflation in Bangladesh was 8.36 percent in

September and has remained elevated since March 2022, according to the Bangladesh Bureau of Statistics (BBS).

Islam said sales are expected to rebound this year as the economy shows signs of recovery.

"The sales growth is a very clear indication of economic rebound," he said.

Having invested hundreds of crores in shares of several multinational companies, he predicted the recovery would continue.

"Foreign exchange levels are improving and, although inflation has not dropped as much as expected, it is easing." Once political stability returns, Islam said, consumer demand and corporate sales are likely to rise further.

In the July-September quarter, RAK Ceramics reported the highest sales growth at 54 percent, followed by Unilever Consumer Care at 25 percent and Marico Bangladesh at 23 percent.

Singer Bangladesh recorded 15 percent growth, British American Tobacco 11 percent, and Reckitt Benckiser 10 percent. Linde, Berger, LafargeHolcim, Grameenphone, and Robi saw growth between 1 and 7 percent.

Ali Imam, CEO of EDGE Asset Management, said the 2025 sales growth shows that consumer demand is still below levels seen in previous years.

"As their sales in 2024 were low, there is a low base effect in 2025," he said.

If the underlying demand were stronger, sales growth could have been higher. Of the 8 percent growth, around five percentage points came from price adjustments, while the remainder reflected volume increases, commented Imam.

Rising interest rates, higher overheads, and increased raw material costs have limited companies' ability to adjust prices fully, affecting profitability in the last quarter, he added.

Steel demand weak

FROM PAGE B1

He added that if fresh investments move ahead, total capacity may climb to 1.5 crore tonnes by 2026-27, far outstripping actual demand. "Without aligning supply with demand, further investment is risky," he said.

Chowdhury said the association is working with the government and banks to stabilise raw material supplies, secure financial support and build a predictable policy environment.

Manwar Hossain, former BSMA president and chairman of Anwar Group of Industries, said the crisis began during the Covid-19 pandemic, when global scrap prices jumped from \$400 to \$700 per tonne but local producers could not pass on the higher costs.

"Since then, we have been under continuous pressure. The Russia-Ukraine war, shipping disruptions, and a depreciating taka have only worsened the situation," he said.

He added that political

changes have further weakened demand. "Government projects, once our largest market, have virtually stopped. We have lost nearly 45 percent of that business," he said.

Hossain said many small and medium mills are shutting down as losses mount. "This could lead to an oligopolistic situation, where only four or five large players dominate. That would be detrimental to the industry's long-term health," he said.

PRICES RECORD LOW
BigMint data show that rebar prices in Dhaka have fallen to Tk 73,700 per tonne, the lowest in more than three years. Prices in Chattogram are slightly higher at Tk 77,100 per tonne.

Data from the Trading Corporation of Bangladesh (TCB) show that 60-grade steel rods were retailing between Tk 81,000 and Tk 84,000 per tonne yesterday.

Mills are now operating at only 30 to 40 percent capacity, as monsoon

disruptions, import curbs and weak demand continue to bite. Credit-based sales have risen, creating cash flow pressure in a market traditionally driven by cash transactions, according to BigMint.

Steel scrap imports rose by 10 percent year-on-year to 40 lakh tonnes in the first nine months of 2025, driven by global scrap prices at a five-year low. Yet the banking crisis remains a major obstacle. Several local banks have been blacklisted by international suppliers, making it harder to open letters of credit (LCs).

Even so, industry leaders hold cautious optimism.

"We have faced tough times before," said BSMA Secretary Chowdhury.

"With stability, policy clarity, and an elected government in place, we can expect demand to return gradually, especially as foreign reserves show signs of recovery and several infrastructure projects are ready to restart," he said.



University of Dhaka

Department of International Business

Admission Announcement January Intake, 2026

Master of International Trade and Business

Department of International Business, University of Dhaka invites applications for admission in its specialized Master's Program in International Trade and Business for professionals.

51
credits

Highly qualified and experienced faculties
from academia, government, and industry

Flexible
course selection

Weekend days
small size classes

Practical learning opportunities

Admission Requirements

All academic degrees in any discipline with a CGPA of at least 2.50 out of 4.00 or second Class/Division

Application Process

Online: Please visit to learn more and apply online at <https://mitb.fbs-du.com>.
In-person: Admission Forms are also available for collection and submission in person at the Office of the Department of International Business, University of Dhaka during 10am-8pm on working days (Saturday -Thursday).
Application fees: BDT 1500 can be paid through Online, Bank Transfer or Direct Deposit to the following account: MITB PROGRAM (MISC) IB-DU, A/C- 4405701030718, SONALI BANK LIMITED, DHAKA UNIVERSITY CAMPUS CORPORATE BRANCH

Program starts: January, 2026

For any queries or assistance, please contact, Md. Humayun Kabir or Md. Osman Goni, Phone: 01712314153, 01911015057, Email: mitb.ib.du@gmail.com

Last date of application: 08 December, 2025

Written test on Mathematics and English for admission will be held at the Department of International Business, University of Dhaka at 3:30 pm and viva voce at 5:00 pm on 12 December, 2025

Scan to apply





M Jamal Uddin

Weak NBFIs seek Tk 3,100cr to turn around

Troubled non-banks are currently unable to finance new businesses, says association chairman

AHSAN HABIB

A group of 15 struggling non-bank financial institutions (NBFIs), including nine set for liquidation, has informed the Bangladesh Leasing and Finance Companies Association (BLFCA) that they would collectively need about Tk 3,100 crore in liquidity support to regain stability, said the association's Chairman M Jamal Uddin.

The government could feasibly provide the amount to help the firms rebound, he said in an interview with The Daily Star, adding that the institutions themselves had assessed their needs and conveyed the figure to the BLFCA, which is now advocating on their behalf.

"Without such support, loan recovery at these weak institutions may be further disrupted, worsening their condition," he said.

He noted that the affected NBFIs are currently unable to finance new businesses or extend fresh loans because their liabilities have become too large. "It will take them a long time to recover from this situation. What they really need now is support from the central bank and reforms."

The struggling NBFIs approached the BLFCA with a formal request for it to seek Bangladesh Bank's help. With the proposed support, they hope to settle part of their dues to depositors while retaining enough funds to revive business operations. Once operations resume, they expect to be able to gradually clear the remaining obligations, Uddin said.

On September 23, the BLFCA met Bangladesh Bank (BB) and proposed liquidity support at a 2 percent interest rate, repayable over seven to ten years on a quarterly basis.

The association suggested that BB consider extending support equivalent to up to 30 percent of an institution's balance sheet for at least seven years.

"This support could alleviate current liquidity stress through diversified fund management techniques," said Uddin, who is also managing director and CEO of IDLC Finance.

According to the BLFCA's presentation, one-third of the support would be used to meet encashment requests from small depositors to restore confidence, while the remaining

two-thirds would be channeled into the CMSME sector to generate returns for reinvestment. Potential BB pre-financing could strengthen this further.

All loans, leases, and advances, including those newly issued using the support funds, would remain under BB's lien as security, as per the association's proposal.

Classified loans in NBFIs exceed Tk 27,000 crore, more than 33 percent of their total lending portfolio. The erosion of capital has left many institutions technically insolvent.

Asked if Tk 3,100 crore would be sufficient for recovery, Uddin offered caution.

assistance must include safeguards. "If the government provides money, there has to be protection in place. There must be clarity on the form of support, how it will be disbursed, and how and when it will be repaid."

"Once the institutions restart operations with the aid, they can gradually recover part of their assets. But if their operations stall, they will not be able to recover their existing assets in the market," added the BLFCA chairman.

LIQUIDATION NOT THE ANSWER
The government has announced plans to liquidate nine NBFIs.

Speaking on the matter, Uddin

sector.

"This is why Bangladesh Bank is saying: if your governance, management, and credit risk analysis capabilities are lacking, you do not have the strength to do business sustainably," he said, adding, "This is why the central bank is taking a different approach toward the sector."

Reforms, he noted, are essential to strengthen corporate governance and stop a recurrence of the existing crisis. Some policies for NBFIs should be aligned with those of banks, such as loan write-off rules, the number of directors, and regulations on deposit collection and eligible securities.

TAKEAWAYS FROM INTERVIEW

Liquidity support

BB support could revive NBFIs and restore loan recovery

Each non-bank needs liquidity support of up to 30% of its asset

The tenure for the assistance should be seven years

One-third of the support is aimed at honouring small depositor claims

Two-thirds of the liquidity support to be invested in CMSME sector

Challenges

High classified loans have made many NBFIs technically insolvent

Shutting down weak institutions may harm the sector further

Corporate governance weaknesses contributed to current struggles

Sustainability

Reforms needed to align NBFIs' policies with those of banks for long-term stability

Strong corporate governance helped some institutions avoid BB intervention

"We do not have our own research team, nor are we strong enough as an organisation to analyse full balance sheets and income statements of all institutions to definitively conclude that this money would be sufficient," he said.

"However, the institutions themselves have claimed that this amount would allow them to start recovering."

NBFIs and their customers argue that since the government has supported troubled banks, including shariah-based lenders, a targeted, even if smaller, package for NBFIs would be reasonable.

Jamal stressed that any government

cautioned that closures will not necessarily strengthen the sector.

He said, "It cannot be said that shutting down a few institutions will help the sector recover. In fact, doing so may weaken others already in fragile condition. But if they are given the opportunity to revive operations to some extent, public confidence in the sector might gradually return."

He warned that other marginal institutions could eventually fall into the same position unless they receive interim support.

Uddin acknowledged that weak corporate governance is at the core of the crisis currently gripping the NBF

"If these issues remain unresolved, even strong NBFIs will struggle."

He emphasised that many well-performing NBFIs have succeeded because they maintain strong internal governance.

"Often, central bank intervention is not necessary when an institution ensures self-governance," he said.

While BB has adequate policies for the sector's sustainability, he said the challenge lies in enforcement.

"Policies are often made and revised, but enforcement and compliance are weak. Over time, institutions gradually become vulnerable and eventually reach the point of closure."

The future of retail banking

MAMUN RASHID

Retail banking in Bangladesh is entering a moment of reckoning. With the Bangladesh Bank (BB) preparing to issue digital banking licences, and with more organised mobile financial services, AI and platform technology becoming mainstream, it is no longer enough for a bank to be a place where people open an account, deposit money or apply for a loan. That model was built for a time when banking was scarce, branches were the primary touchpoint, and margins were wide. Today, customers have options and expectations that move faster than branch infrastructure. The question is not whether digital banks will replace traditional ones, but whether traditional banks will use this moment to evolve.

Digital banks will no doubt attract the younger, mobile-first population. That will be a catalyst, not a takeover. The real pressure will fall on legacy retail banks that still run large brick-and-mortar networks with high operating costs and thin spreads. Maintaining branches only to complete routine transactions is becoming difficult to justify. Instead of hundreds of transactional counters, banks can turn branches into advisory hubs, experience zones and acquisition centres for higher value products such as wealth, SME, housing and cross-border services. The branch can become the place where trust is built and complex products are explained, while day-to-day services are completed on apps and ATMs.

Globally, banks that are growing retail income are not relying only on interest. They are adding fee-based and lifestyle-linked services inside the same ecosystem. Bangladesh can do the same. A bank app should not stop at balance inquiry. It can help customers buy insurance, invest in a small portfolio, pay for travel, track tax obligations or even access curated property listings.

This is how a bank moves from transactional to transformational and keeps the growing middle class and affluent customers inside its own environment rather than losing them to foreign platforms or informal agents.

To get there, technology modernisation is not a side project. It is the foundation. Cloud-ready cores, open APIs and AI-powered analytics give a bank the ability to personalise offers, score risk faster, integrate fintech partners and lower the cost to serve. Without this, retail transformation will remain a PowerPoint idea. With it, banks can serve the mass market digitally and reserve physical spaces for higher-value engagement.

Regulation will need to move in parallel. Some asset and investment products are still underused because of ambiguity. A sandbox and clearer guidelines can unlock new services while keeping consumer protection intact. The biggest risk for banks now is not digital competition, it is inertia. The winners will be the ones that keep the trust and balance sheet strength of a bank, but redesign the retail experience for a customer who lives on a screen, not in a queue.

This shift is not new. When JPMorgan leaders said almost a decade ago that they were a technology company that happened to provide banking, they were not making a marketing statement; they were describing the direction of the business. They were saying that the infrastructure, data and software layer would create the value, and banking products would be the services on top. Capital One and DBS Bank in Singapore also moved in the same direction.

Bangladeshi banks are now at the same crossroads. If they keep thinking like branch networks, digital banks and MFS players will capture the customer relationship. If they start thinking like technology companies that deliver regulated financial services, branches can be repurposed into high-value experience hubs, and the bank stays at the centre of the customer's financial life. Banks can also optimise their costs by shifting branches from posh avenues to customer-friendly locations. They need to cover more gaps in individual client lives and build solutions for evolving needs, from healthcare to capital gains.

The writer is an economic analyst and chairman at Financial Excellence Ltd



China made a 'mistake' with rare-earth controls

US treasury secretary says

AFP, Gyeongju

China's decision to impose export controls on rare earths was a "mistake" and drew attention to Beijing's ability to use them as a coercive tool, US Treasury Secretary Scott Bessent said in an interview published Saturday.

Beijing announced new controls in October on exports of technologies related to rare earths, crucial for manufacturing in defence, automobile, consumer electronics and other industries.

The restrictions were a major sticking point in trade negotiations between Beijing and Washington, and China said it would halt them after presidents Xi Jinping and Donald Trump met this week.

In an interview with the Financial Times, Bessent said: "China has alerted everyone to the danger. They've made a real mistake." "It's one thing to put the gun on the table. It's another thing to fire shots in the air," Bessent said.

Xi and Trump met on the sidelines of the Asia-Pacific Economic Cooperation summit in the South Korea this week. Following the talks, China said it would suspend certain export restrictions, including on rare-earth materials, for one year.

REUTERS, Hong Kong

The latest stopgap Sino-American pact underscores how intractable issues central to the broader bilateral relationship have become. US President Donald Trump and his Chinese counterpart Xi Jinping struck a positive tone on Thursday as both leaders rowed back on export controls and more. That should help keep further escalation in check. Yet this strategic can-kicking does little to resolve trade hostilities between the world's largest economies.

After more than a month of tit-for-tat escalation on US sanctions, shipping fees, rare earths and more, expectations were already low heading into the meeting in South Korea. Per early readouts on the agreement, Washington halved fentanyl-related tariffs to 10 percent—bringing tariffs imposed on Chinese imports to 47 percent, from 57 percent, according to Trump—and suspended expanding its sanctions framework by one year. In return, Beijing pledged to hold off from restricting rare earths exports, also by one year, and buy more American soybeans. Both sides pushed back reciprocal tariffs again, this time for a year. And Chinese stocks barely reacted.

It's hardly a grand bargain and falls far short of the truce achieved with the so-called Phase One agreement signed during Trump's first term. Still, this breather benefits the negotiators more than either country or markets. For Xi's team the meeting provided a symbolic chance to stabilise relations and demonstrate the country's rare earths leverage in negotiating for better trade terms. Trump meanwhile gets to score political points at home with farmers and help limit supply chain disruptions for American multinationals.

Outstanding issues that have yet to be addressed include tariffs in both directions

that cover virtually all of \$580 billion in bilateral trade; export controls on sales of Nvidia's advanced Blackwell AI chips and other advanced tech to China; Beijing's ongoing probes into US firms' Chinese operations; Trump's long-held conviction that low-cost Chinese exports hobble his country's manufacturers; and the status of Taiwan, to name a few.

At least both sides have agreed to another meeting in April, when Trump will visit China. Even so, not all of these issues could be overcome even if the two leaders were willing, and there's no reason that next year's summit will be any more successful. And openly strategic moves—like the recent rare

earth procurement pacts between the US and Australia—suggest that each side will use the interim to minimize the other's leverage.

So this interim "deal" does stave off escalation in the basic sense, but won't stop it. Both sides may seek greater stability in relations, yet they cannot afford to assume anything but the worst of each other, either.

US President Donald Trump and Chinese leader Xi Jinping agreed on October 30 to a series of de-escalation measures on trade after a series of tit-for-tat tariffs and restrictions. Both sides agreed to push back implementation of repeatedly delayed reciprocal tariffs once again, this time by a year.



US President Donald Trump (R) and China's President Xi Jinping (L) hold talks at the Gimhae Air Base, located next to the Gimhae International Airport in Busan, on October 30.

PHOTO: AFP

China's factory activity shrinks for seventh month

AFP, Beijing

China's factory activity shrank for a seventh straight month in October, official data showed Friday, as trade uncertainty ahead of talks between President Xi Jinping and US leader Donald Trump weighed on the economic powerhouse.

The manufacturing Purchasing Managers' Index — a key measure of industrial health — came in at 49.0, marking another contraction, according to the National Bureau of Statistics (NBS).

The reading missed a forecast of 49.6 by a Bloomberg survey of economists and was down 0.8 percentage points from the previous month.

Manufacturing in October slowed "due to factors such as... the more complex international environment", said NBS statistician Huo Lihui in a statement.

Huo also attributed part of the slowdown to China's "Golden Week" National Day holiday this month, a period that usually sees slower factory activity.

The country's overall economic output "remained generally stable", he added.

October's reading equalled the lowest level of factory activity this year, matching the 49.0 figure in April.

That month kicked off a streak of contraction as factories dealt with ebbs and flows of a US-China trade war.

"The economic momentum has weakened" since the middle of the year, wrote economist Zhiwei Zhang of Pinpoint Asset Management.

But after negotiations with the United States "went successfully... I think the macro policy in China will stay unchanged for the rest of this year", he said.