



Irfan Uddin

Energy crisis, economic slump weigh on ceramic industry

Says a leader of ceramic manufacturers' association

JAGARAN CHAKMA

The country's ceramic industry is facing one of its toughest periods in recent years, as rising production costs driven by persistent energy shortages and weak domestic demand take a toll on manufacturers.

Irfan Uddin, general secretary of the Bangladesh Ceramic Manufacturers and Exporters Association (BCMEA), highlighted the sector's challenges in an interview with The Daily Star.

"The economy isn't doing well, and that's no secret," Irfan said. "The ceramic sector, which depends heavily on real estate and development, is also facing serious difficulties."

He noted that as construction and development activities slow across the country, demand for materials such as ceramic tiles, sanitaryware, and tableware has dropped sharply.

"When development slows, the use of materials like ceramics falls automatically. We've seen industry-wide sales drop by nearly 25 to 30 percent," said Irfan, who is also managing director of FARR Ceramics Ltd.

Tiles, which make up about 80 percent of the market, have been hit hardest. "Because tiles have the biggest share, any downturn affects this segment first. Demand from both residential and commercial projects has fallen significantly," he added.

ENERGY CRISIS HINDERS PRODUCTION AND QUALITY

Although some earlier issues, such as the dollar shortage and import complications, have eased slightly, the ongoing energy crisis remains a major obstacle.

"The gas supply issue has not been resolved. Due to low pressure or interrupted supply, many factories are unable to run at full capacity," Irfan said. "We're currently facing around 15 percent production loss purely due to energy problems."

He explained that an inconsistent gas supply affects both quantity and quality. "Our cost of production is going up because our inputs are the same, but we're producing less. For example, where we used to make 100 pieces, we're now getting just 85 with the same labour force and overhead."

The irregular gas supply also causes firing problems in kilns, leading to lower-quality finishes. "Instead of bright white tiles, we're getting yellowish shades that can't be exported. We're forced to sell

lose a lot of revenue because products that don't meet export standards have to be sold locally," he lamented.

To support the struggling industry, BCMEA has launched initiatives targeting both local and international stakeholders.

"In the last three days, over 22,000 people visited our industry exhibition," Irfan said. "We also held a special programme with all of Bangladesh's major ceramic distributors. The response has been very positive."

investment. "We're not seeing new investment at the moment. Even local investors are holding back, and foreign investors are absent. Without fresh investment, economic growth will remain slow."

Irfan urged the government to ensure political and economic stability. "A functioning, elected government must take charge and steer the economy forward," he said.

He highlighted that the mid-range market, which forms the largest

TAKEAWAYS FROM INTERVIEW

SALES AND INVESTMENT

Ceramics sales fell 25-30% in 18 months due to a slowdown in construction activities
No new domestic or foreign investment is coming

ENERGY CRISIS

Factories are experiencing around 15% production loss due to energy crisis
Impact of gas shortage is twofold—both quantity and quality are affected



MISSED EXPORT OPPORTUNITY

Despite strong demand, industry can produce 55% export-quality goods, well below their 80-85% target

FINANCIAL STRESS

Many companies are struggling to cover salaries and bank loan repayments

SOLUTIONS

The sector can recover if gas supply stabilises
Targeted policy measures will restore investor confidence

them locally at lower margins," he said.

EXPORT POTENTIAL HAMPERED
Despite domestic difficulties, demand for Bangladeshi ceramics remains strong internationally. However, manufacturers are struggling to meet it.

"Buyers are placing orders, but we can't deliver due to our production limits," Irfan said. "We usually aim for 80-85 percent export-quality production, but right now we're only reaching 55 percent."

He stressed that the drop in quality is not due to a lack of skill or workforce, but because of irregular gas supply affecting production temperatures. "We

"These efforts aim to keep distributors and stakeholders engaged despite the downturn," he added. "Distributors are key to reaching the local market, so keeping them motivated is crucial."

FINANCIAL STRAIN AND INVESTMENT GAPS

The prolonged slowdown has put heavy financial pressure on ceramic makers. "Many companies are struggling to cover everyday costs like salaries and loan payments," Irfan said. "No one invests expecting to fail. When someone builds a factory with Tk 150 crore-Tk 200 crore, much of it comes from their own savings."

He also pointed to the lack of fresh

customer base, has been hit hardest. "The premium market is smaller, and while it's affected too, the volume loss is much larger in the middle-income bracket," he said.

As household and project budgets tighten, mid-segment consumers are delaying or reducing construction and renovation, directly impacting ceramic sales, he added.

Irfan urged the government to stabilise gas supply and provide targeted support to export-focused sectors like ceramics. "If we can stabilise gas supply and restore investor confidence, the industry can bounce back," he concluded.



M Matiul Islam

Remembering Matiul Islam: A young man who died at 95

MAMUN RASHID

Bangladesh has lost one of its most enduring builders. M Matiul Islam, the country's first finance secretary and a pioneering figure in the nation's economic architecture, passed away on November 20 at the age of 95. Those who observed him in person and his career often remarked that he remained a young man in spirit until his final days, defined by a tireless work ethic, sharp clarity of thought and an undiminished appetite for new ideas and know-how. His life reminds us that intellectual youth is not measured in years but in curiosity, discipline and a willingness to keep evolving.

Matiul Islam's professional journey was marked by an unusual combination of technical mastery and administrative depth. Trained as a chartered accountant, he entered public service with a level of financial literacy that is rare in the bureaucracy. His early postings in the Pakistan Civil Service allowed him to work at the intersection of finance, governance and industry. By the late 1960s, he had already built a reputation as someone who could simplify complex issues, navigate institutional challenges and deliver results without drama.

During 1968-69, while serving as secretary of the Ministry of Industries and Commerce, he was simultaneously appointed as acting deputy commissioner of Khulna. Managing an entire district alongside a critical economic ministry would have been demanding even for a seasoned administrator. Yet he approached the responsibility with a systematic, almost youthful eagerness. His work in Khulna strengthened local governance, improved coordination across agencies and helped drive industrial momentum when the region was undergoing rapid change.

His most consequential contribution came after independence, when he served as the first finance secretary of Bangladesh. The newborn nation needed more than routine management. It required institution-building from scratch. Matiul Islam played a pivotal role in shaping the national budget process, designing expenditure controls, formalising treasury operations and helping establish the early frameworks for monetary and fiscal governance. Bangladesh's economic institutions were fragile in those formative years, yet his disciplined stewardship brought order, predictability and professionalism to the system.

Beyond public service, Matiul Islam demonstrated a remarkable entrepreneurial instinct that further reflected his youthful mindset. After his government tenure, he ventured into business and industry with the same analytical rigour he had brought to the civil service. His leadership roles across various private sector entities showed a commitment to creating value, strengthening corporate governance and promoting ethical business practices.

Even as he moved across sectors, he remained consistent in his approach: clarity, discipline and logic were at the centre of his working style. He valued punctuality, respected process and upheld transparency in decision-making. These qualities earned him the reputation of being decisive without being loud, firm without being rigid and detail-oriented without losing sight of the larger purpose.

What stands out in reflecting on his long life is the sense of youthful resolve he carried throughout his career. Whether he was restructuring public finance, managing district administration, steering an industry or setting up business ventures, he brought a freshness of mind and an eagerness to improve processes. It is this spirit that made him, in many ways, a young man who simply happened to live 95 years.

I came across Mr Islam in the early 1990s. I remained an admirer of him for his steadfastness and eagerness to learn. Our relationship became close when I moved to Citibank at the MCCI building. Mr Islam was the chairman of IDFC, an NBF situated in the same building. Even if I were a little early to the office, I could surprisingly find him ahead in the queue for the elevator, and it was almost a regular picture. I also had the opportunity to work with him on the board of one of his capital market subsidiaries. He had a challenging mind and the ability to go beyond.

As Bangladesh continues to evolve, it stands on the foundations built by individuals like Matiul Islam. His legacy endures not because he sought recognition, but because he shaped the systems that would continue to serve the nation.

The writer is a banker and an economic analyst

Dollar set for worst week since July

REUTERS, New York

The US dollar was heading for its worst weekly performance since late July on Friday as traders increased bets that the Federal Reserve will cut rates again next month.

The dollar has dropped this week as traders conclude that weakening labor data will lead to more rate cuts, even as many Fed policymakers express concern about still-elevated inflation.

"It feels like with the post-shutdown run of releases, it's generally been soft ... the data overall definitely leaned towards a cut," said Eric Theoret, FX strategist at Scotiabank in Toronto.

The US federal government is releasing a backlog of economic data after reopening from a record 43-day shutdown.

Fed funds futures traders are pricing in 87 percent odds of a cut at the conclusion of the Fed's December 9-10 meeting, up from 71 percent a week

India's economy beats forecasts but tariffs loom

AFP, New Delhi

India's economy grew faster than expected in the last quarter, official data showed Friday, but the impact from US tariffs is expected to bite in the rest of the financial year.

Gross domestic product rose 8.2 percent year-on-year in the July-September period, the statistics ministry said, the fastest rate in over a year.

The growth was an acceleration from the 7.8 percent recorded in the previous quarter and soared beyond analysts' forecasts of 7.4 percent.

The latest figures were spurred by higher consumer demand, solid manufacturing sector growth and statistical factors.

Friday's reading reaffirms India's position as the fastest growing major economy and will come as welcome news for Indian policymakers grappling with a weak rupee, falling exports and a pivot away from Russian oil imports.

US President Donald Trump has slapped 50 percent tariffs on most Indian products as punishment for New Delhi's purchases of Russian oil, which Washington claims helps finance Moscow's invasion of Ukraine.

Indian shipments largely held up between April and August as exporters rushed to beat the tariff clock.

But since then, the tariffs have started to bite, with overall exports falling 11.8 percent year-on-year in October, hurt by a drop in US-bound shipments.

India's press has reported an imminent trade deal with the United States, but neither side has officially announced a breakthrough.

Meanwhile, the International Monetary Fund recently cut its forecast for India's next financial year from 6.4 percent to 6.2 percent, citing a "baseline assumption of prolonged 50 percent US tariffs".

The Global Trade Research Initiative, a New Delhi-based think-tank, estimates that if the harsh tariffs stick, India's exports could fall to about \$49.6 billion in the current fiscal year – a steep drop from the \$86.5 billion recorded last fiscal cycle.

The world's fifth-largest economy slowed in the second half of 2024, with annual growth hitting a four-year low in the fiscal year that ended March 31.

Black Friday consumers go online, rather than stand in line



Customers look for products during Black Friday deals at Macy's store in New York City on November 28. Online shopping has diluted Black Friday's significance, with promotions geared towards the event spread across weeks.

PHOTO: AFP

REUTERS, New York/Atlanta

Bargain-hunting Americans clicked their way through Thanksgiving, spending \$8.6 billion online so far on Black Friday, as more consumers turned to laptops and phones instead of braving brisk weather to snap up deals over the crucial shopping weekend.

Adobe Analytics, which vets e-commerce transactions online, covering over 1 trillion visits to US retail sites, expects US shoppers will spend between \$11.7 billion and \$11.9 billion online on Black Friday.

While early online sales figures showed a promising trend for spending, at major retailers – a bulk of Black Friday shopping has happened between 10 a.m. and 2 p.m. ET (1900 GMT), according to data from Adobe Analytics, with another surge expected in the evening. Many of those who ventured out said they were

on a budget, fearful of overspending at a time when inflation remains above-trend and the labor market is softening.

"I'm being much more careful," said Grace Curbelo, 67, of New Rochelle, New York, who was at the Woodbury Common outlet center in Central Valley, New York, on Friday morning. "I'm not sure how the economy will turn, and I don't want to put myself in debt."

Strong Black Friday spending has been driven by deeper-than-expected discounts, Adobe said. Online shopping has diluted Black Friday's significance, with promotions geared towards the event spread across weeks. Adobe Analytics expects Cyber Monday to drive \$14.2 billion in online sales, up 6.3 percent from last year, making it the biggest online shopping day of the year.

Shoppers are leaning heavily on promotional codes found online through

social media influencers to squeeze out extra discounts during Cyber Week, said Vivek Pandya, director of Adobe Digital Insights at Adobe Analytics.

The specter of higher prices hovered over the day. US retail sales increased less than expected in September, in part due to elevated prices, and President Donald Trump's tariffs have contributed to this trend, adding roughly 4.9 percentage points to retail prices, according to the non-profit Tax Foundation.

Software firm Salesforce said its early data showed prices in the United States rising faster than worldwide. The average online selling price for goods was 8 percent higher than last year, compared with 5 percent globally, a sign of both the effect of tariffs and spending from affluent households, who have continued to shop while most income groups say their consumer confidence is low.

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