

## Gold price hits one-week high

REUTERS

Gold extended gains on Tuesday to hit a one-week high, as dovish comments from Federal Reserve officials boosted bets on interest rate cuts and Venezuela tensions bolstered safe-haven demand.

Spot gold was up 0.4 percent at \$4,463.63 per ounce, as of 0722 GMT, after rising nearly 3 percent in the last session. Bullion hit a record high of \$4,549.71 on December 26, and logged its best annual performance since 1979 last year with a jump of 64 percent.

US gold futures for February delivery rose 0.5 percent to \$4,473.90.

"(Comments by Fed officials) certainly didn't hurt but it doesn't look like the calculus has changed all that much. We of course have a big week this week with the jobs report on Friday," said Ilya Spivak, head of global macro at TastyLive.

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Minneapolis Fed President Neel Kashkari said on Monday inflation was slowly easing, but there was a risk the jobless rate could "pop" higher, increasing the likelihood of a rate cut.

Investors currently expect at least two rate cuts this year, while they look to the nonfarm payroll report, due on Friday, for more monetary policy cues.

Toppled Venezuelan President Nicolas Maduro pleaded not guilty on Monday to narcotics charges after US President Donald Trump's capture of him rattled world leaders and left officials in Caracas scrambling to regroup.

"The capture of Maduro illustrated this rupture between the US and China and more broadly (the ongoing trend of) de-globalisation," Spivak said.

Non-yielding assets tend to do well in a low-interest-rate environment and during times of geopolitical or economic uncertainty.

Spot silver gained 2.8 percent to \$78.64 per ounce, after hitting an all-time high of \$83.62 on December 29. Silver ended 2025 with annual gains of 147 percent, far outpacing gold, in what was its best year on record.



Footpath shops see soaring sales as low-income people rush to buy cheap winter clothes amid a severe cold wave. The photo was taken recently in Lalmonirhat town's BDR Railgate area.

PHOTO: S DILIP ROY

# Sales of cheap winter clothes surge in Rangpur

Traders say sales may more than double this year

S DILIP ROY

As a prolonged cold wave grips the country, people in the Rangpur division are suffering the most, with temperatures dropping to extreme lows. The intense chill has driven a sharp rise in demand for winter clothing, with many underprivileged residents relying on "Fata Company" shops to keep warm.

"Fata Company"—a locally popular, humorous term in Rangpur—refers to seasonal footpath shops where hawkers sell low-cost winter clothing, often second-hand or factory-defective garments. While similar shops operate across the country under different names, this year their sales have surged due to the unusually severe cold.

Day labourers, farmers, the destitute, and low-income people, as well as a section of the middle class, are shopping at these shops. Traders estimate that transactions could more than double this year in the Rangpur division alone.

These shops are set up temporarily near railway stations, bus terminals, footpaths, roadsides, and other crowded areas. In Rangpur city, the Alamnagar and Station areas are the largest hubs, hosting over a hundred shops selling winter clothes at both retail and wholesale levels.

Retailers from Rangpur, Dinajpur, Panchagarh, Thakurgaon, Kurigram, Lalmonirhat, Gaibandha, and Nilphamari buy goods here at low prices to supply their own areas, creating a regional winter clothing supply chain.

At these shops, caps and mufflers sell for Tk 20 to Tk 80, sweaters, jackets, and shawls for Tk 100 to Tk 300, and blankets for Tk 300 to Tk 600. By contrast, similar items in garment stores or malls cost five to seven times more.

Traders say profit per item is small, but high sales volumes ensure reasonable overall earnings.

**TRADERS SEE RECORD SALES**

Mansur Ali Bepari, 65, a trader from the Station area of Rangpur city, said, "I have been in this business for nearly 30 years. Last winter, my sales were around Tk 15 lakh. This season, my sales had already crossed Tk 24 lakh by January 4, and I hope they will reach Tk 30 to Tk 35 lakh by the end of winter."

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"We bring winter clothing from Dhaka and Chattogram at low prices and sell them at retail and wholesale. The profit per item is small, but sales volume is high—that is the main strategy of our business."

Afzal Uddin, 55, a trader from Alamnagar, said he stocked winter clothing worth Tk 9 lakh in November, which sold out by December 20. He later brought in goods worth Tk 15 lakh, and more than half have already been sold, with demand for old winter clothing unusually high this year.

Atoar Rahman, 50, another trader, said, "In previous years, each district had 60-70 'Fata Company' shops. This year, the number has increased to 100-120, with each shop holding goods worth more than Tk 2 lakh on average. Transactions in Rangpur division used to be around Tk 8 crore and could double this year."

Azizar Rahman, 50, a trader from Kurigram town, said he sells more than 400 pieces of old winter clothing every day on average.

He added that without these shops, low-income people would struggle even more, and because the cold is unusually severe this year, even middle-class families are coming to such shops, further boosting sales.

Rishan Islam, a garment shop owner in Rangpur city, said, "We do not sell any winter clothing for less than Tk 1,000. Although the quality is better, many customers are shifting to footpath shops because of the price difference."

Farmer Mokbul Hossain, 60, from Chilmari upazila in Kurigram, said he bought eight sweaters, ten jackets, four mufflers, six caps, and four blankets for his 12-member family from these budget shops for Tk 7,200, adding that if he had bought new items, it would have cost at least Tk 40,000.

Day labourer Akter Ali, 55, from Lalmonirhat, added, "We cannot afford new warm clothes from stores. If these shops did not exist, it would be very difficult to survive the cold. They are a blessing for poor people."

Sirajul Haque, 60, from Rangpur city, said winter clothing is cheap at "Fata Company" shops, so many people have bought three or four items each. He added that it is impossible to buy all warm clothes from stores because they are very expensive.

Rangpur Weather Office In-Charge and meteorologist Mostafizur Rahman said, "Since December 19, minimum temperatures in Rangpur division have ranged between 9.6 and 12 degrees Celsius. With persistent fog and cold winds, the cold is being felt more intensely, and such weather may continue for several more days."

## Economy is now at a turning point

WAQAR AHMAD CHOUDHURY

Bangladesh's economic success under the previous political regime rested on fragile foundations, with structural weaknesses masked by headline growth. These distortions fuelled a build-up of public debt and one of the world's highest non-performing loan ratios, estimated at 35.7 percent, reflecting deep abuse in the banking sector.

As confidence eroded, foreign exchange reserves fell by nearly 40 percent between end 2022 and mid-2024, while inflation rose to a 12-year high. An artificially low interest rate cap and aggressive monetary expansion by the Bangladesh Bank intensified price pressures, with weak data transparency obscuring the scale of deterioration and contributing to political upheaval.

The interim government has made progress in stabilising the macroeconomy. Foreign exchange reserves rebounded by more than 30 percent, supported by restrictive import policies and a recovery in remittance inflows following the shift to a market-driven exchange rate. Inflation has moderated, and initial steps have been taken to address the NPL crisis. Yet the recovery remains fragile, with GDP growth slowing to 3.69 percent in FY2025 amid weak business confidence, declining equity-related foreign direct investment and lingering political uncertainty.

Political clarity has therefore emerged as a decisive factor shaping the outlook. While uncertainty surrounding the transition to an elected government has weighed on investor sentiment, the return of Tarique Rahman after a prolonged exile has reduced electoral ambiguity. His emphasis on stability and national unity has improved expectations of policy continuity, supporting a more constructive medium-term outlook, with the IMF projecting growth to rebound to 4.9 percent in 2026.

Despite these stabilisation gains, Bangladesh's capital market continues to underperform.

The DSEX remains near multi-year lows, valuations are deeply compressed and foreign participation has declined sharply, even as regional peers have rallied. This underperformance is structural, driven by a prolonged IPO drought, regulatory inefficiencies, the dominance of bank financing, elevated fixed-income yields and an underdeveloped institutional investor base. These weaknesses

reinforce a cycle of low liquidity and weak participation.

Bangladesh now stands at a critical juncture. Macroeconomic stabilisation, improving reserves and emerging political clarity offer a narrow but meaningful window for capital market revival. Sustained recovery, however, will depend on a coordinated reform agenda that addresses structural bottlenecks, restores institutional credibility and realigns incentives towards long-term market development.

On the fiscal front, restoring listing incentives is essential. Expanding the corporate tax differential between listed and non-listed companies to 10 to 15 percentage points would reward transparency, while tax-free dividend income could redirect household savings towards equities.

Regulatory reforms are equally important. Streamlined, digitised financial reporting and a fast-tracked IPO process would help revive the listing pipeline, while stronger corporate governance and improved stock exchange oversight would enhance market integrity and investor protection.

Institutional strengthening remains central. Enhancing the effectiveness and accountability of the BSEC, alongside revitalising the Investment Corporation of Bangladesh, would restore regulatory credibility and provide counter-cyclical market support. Progress also depends on stronger inter-agency coordination, improved financial literacy and a better balance between bank financing and capital markets through incentives for private listings and rationalised savings instrument yields.

Sustainable capital market growth ultimately depends on building a strong institutional investor base, particularly through the development of the mutual fund industry. Greater mutual fund participation would help reduce volatility by reinforcing disciplined, long-term investment practices. Yet the sector remains underdeveloped.

Achieving durable, fundamentals-driven growth will require targeted policy support, including higher tax rebates on mutual fund investments, limited tax exemptions on dividend income, larger IPO quotas and the removal of the 15 percent bank investment cap on mutual funds. If implemented consistently, these measures could reposition the Bangladesh capital market as a credible engine of long-term economic growth.

The writer is managing director and CEO of Vanguard Asset Management Limited

## Samsung may flag 160% jump in Q4 profit

REUTERS, Seoul

Samsung Electronics is expected to flag a 160 percent jump in its fourth-quarter operating profit spurred by a severe chip shortage that has sharply driven up memory prices as customers scramble to meet booming demand for artificial intelligence.

Semiconductor prices have rocketed in recent months, as the industry's shift to AI-related chips has curbed production for traditional memory, while demand has been surging for both conventional and advanced chips to train and run AI models.

Samsung is likely to estimate an operating profit of 16.9 trillion won (\$11.7 billion) for the October to December period, according to ISEG SmartEstimate from 31 analysts, which is weighted toward those who are more consistently accurate.

This compares with 6.49 trillion won from a year earlier and would mark the highest quarterly profit since the third quarter of 2018, which was a record high of 17.6 trillion won.

Some analysts have in recent weeks raised their estimates for Samsung's fourth-quarter operating profit to more than 20 trillion won on the back of stronger-than-expected prices of traditional chips.

The world's top memory chip maker is set to release its estimates for revenue and operating profit on Thursday.

Prices for a type of DDR5 DRAM chip jumped 314 percent in the fourth quarter from a year earlier, according to data from market researcher TrendForce.

REUTERS, New York

A Model S is not an iPhone, a fact less obvious back in 2022. Then, electric-vehicle pioneer Tesla accounted for every dollar of profit generated from battery-powered rides. In that sense, it was similar to Apple, whose trailblazing smartphones became a recurring financial gift. The automaker's CEO, however, has been steering the \$1.4 trillion company into artificial intelligence, self-driving and beyond, fantastical initiatives that look more prescient now.

Like Apple, Tesla has lost a crown. The company delivered 1.6 million cars last year, a nearly 10 percent drop from its 2023 peak. China's BYD eclipsed it by selling over 2 million battery-electric vehicles, Reuters reported. When the iPhone maker led by Tim Cook lost market share, however, it stayed immensely profitable. Apple accounts for 43 percent of worldwide handset revenue, Counterpoint Research reckons, despite slipping to 18 percent of shipments.

Tesla is different. Automotive revenue in 2026 is expected to dip 16 percent below its high, according to estimates gathered by Visible Alpha. The corresponding gross margin sits at half of 2022's level. As subsidies for battery-powered rides shrink or vanish and EV growth stalls, the

company's operating profitability looks unremarkable next to rivals.

Even a futurist like Musk could not have envisioned all these shifts, especially ones instigated by Donald Trump's return to the White House. Other things were clearer: Tesla once held manufacturing advantages, like its giant die-casting machines, but

they have since spread widely. Proprietary chargers are now accessible to rivals.

The iPhone's secret sauce is a connection to differentiated services and undergirding other industries. Musk's noodling over machine-learning and Optimus robots while abandoning efforts at a more reasonably priced vehicle

might seem a concession that making cars is just too tough a business. Yet the technological advancements also point to something bigger.

Tesla's camera-reliant approach to self-driving diverges from competitors and depends on costly AI expertise. If successful, it would change what a car is. Meanwhile, the company's prodigious battery output powers electric grids. Energy storage is its most profitable business, with proliferating data centers bringing more potential customers.

These are the building blocks of a harder-to-break stronghold. Tesla shares trading at an astronomical 376 times estimated 2025 earnings implies a high degree of confidence in success. Musk has not shown a propensity for carefully polishing products to perfection, a philosophy that may prove too reckless. What could once be construed as the whims of a mad scientist, however, are now shaping up to be a more worthwhile experiment.

Tesla said on January 2 that it delivered 418,227 vehicles in the final three months of 2025, bringing the annual total to about 1.6 million, behind China's BYD, which sold more than 2 million battery-electric autos. The full-year figure represents a second annual decline for Tesla, from a 2023 peak of approximately 1.8 million deliveries.



A Tesla Cybercab car is seen at the Tesla stand during the 8th International Import Expo in Shanghai. The company delivered 1.6 million cars last year, a nearly 10 percent drop from its 2023 peak.

PHOTO: AFP/FILE