

3rd shipment of US wheat reaches Ctg port

STAR BUSINESS REPORT

The third consignment of US wheat purchased by the food ministry under a government-to-government (G2G) deal reached Chattogram port yesterday.

The shipment, carried by MV WF Artemis, contains 58,359 tonnes of wheat and is part of the second G2G contract for importing a total of 220,000 tonnes, according to a press release from the food ministry.

Sampling and testing of the wheat stored on board the vessel have already begun. Once quality checks are complete, port and food department officials will take steps to expedite the unloading and distribution of the grain, the ministry said.

With the latest shipment, the total arrival of US wheat purchased by the government now stands at more than 1.72 lakh tonnes.

The shipment falls under a memorandum of understanding (MoU) signed between the Directorate General of Food and the US Department of Agriculture, under which Bangladesh will import 220,000 tonnes of wheat from the United States.

Earlier, the food ministry signed another G2G contract with a US agency and imported an additional 220,000 tonnes of wheat, aimed at ensuring food security as well as supporting Bangladesh's trade relations with the US and narrowing the bilateral trade imbalance, which currently favours Bangladesh.

In the 2024-25 fiscal year, the food ministry imported 466,000 tonnes of wheat, primarily for use in various social safety net and food assistance programmes.

PRAN bags \$5.5m spot orders at Gulf Food Fair

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Bangladesh's leading food processing company PRAN secured export orders worth about \$5.5 million during the five-day Gulf Food Fair 2026, one of the world's largest food and beverage exhibitions.

The orders came from several countries, including the US, China, Saudi Arabia, Iraq, Syria, Ethiopia, Kenya and Somalia, as well as other international markets, according to a press release issued on Friday.

During the fair, PRAN received strong purchase orders for its biscuits, noodles, beverages and confectionery products from buyers across different countries, it said.

The five-day Gulf Food Fair 2026 was held at the Dubai World Trade Centre in the United Arab Emirates and concluded on January 30. This year, more than 8,000 exhibitors from 195 countries showcased their products at the fair. PRAN Group displayed around 500 varieties of food products at its pavilion.

Mizanur Rahman, executive director for export of PRAN Group, said, "We are working to further strengthen our presence in Africa, the Middle East, South Asia, Central and South America, and Europe."

Kamruzzaman Kamal, marketing director of PRAN-RFL Group, said, "Our goal is to deliver PRAN products to every corner of the world and establish PRAN as one of the top 10 global food brands."

The Gulf Food Fair plays a vital role in connecting business communities from different countries, he said.



A customer checks gold bangles at a jewellery shop in Rajshahi city. The price of gold hit an all-time high of Tk 2.86 lakh per bhoori on January 29. The photo was taken recently.

PHOTO: AZAHAR UDDIN

Gold prices rise by Tk 32,892 in January

Local market volatile due to swings in global prices, says Bajus leader

STAR BUSINESS REPORT

The domestic market price of one bhoori of gold, equivalent to 11.664 grammes, rose by Tk 32,892 over the course of a month, reflecting a notable increase compared with previous months.

According to the Bangladesh Jewellers Association (Bajus) data, the price of gold per bhoori was Tk 2.22 lakh on January 1, 2026, which increased to Tk 2.55 lakh on January 31.

An analysis of Bajus data shows that throughout the month, gold prices in the domestic market changed 18 times, whereas prices rose on 15 occasions.

Businesspeople said the local market in Bangladesh has remained unstable over the past few months, driven by fluctuating global prices, steadily rising costs of pure gold, and broader economic uncertainty.

Dewan Aminul Islam Shahin, chairman of Bajus' Standing Committee

on Pricing and Price Monitoring, recently said the retail gold market has been highly volatile lately, largely due to swings in global prices and rising costs of pure gold.

"International issues such as geopolitical tensions and conflicts have a direct impact on our local market," he mentioned

An analysis of Bajus data shows that throughout the month, gold prices in the domestic market changed 18 times, whereas prices rose on 15 occasions

GOLD FALLS AGAIN

Gold prices in the local market fell sharply within 24 hours, dropping by Tk 15,746 per bhoori to Tk 2.55 lakh. The Bangladesh Jewellers Association announced the price cut yesterday,

citing a decline in the prices of pure gold in the local market.

On January 29, gold prices hit an all-time high of Tk 2.86 lakh per bhoori in the country. Since then, prices have fallen by roughly Tk 31,000.

In the international market, spot gold lost 4.7 percent to \$5,143.40 an ounce on January 30, as jittery investors moved to lock in profits, with hopes for aggressive US interest rate cuts fading and the dollar steadying, according to Reuters.

In Bangladesh, domestic prices remain closely aligned with global trends. Under the Gold Policy 2018, annual domestic demand is estimated at between 20 and 40 tonnes.

Gold first crossed Tk 50,000 per bhoori in January 2018. Five years later, in July 2023, it reached Tk 100,000. Prices climbed further to Tk 150,000 in February 2025, before surging past Tk 200,000 per bhoori later in the year.

Trump picks former Fed official as next central bank chief

AFP, Washington

President Donald Trump said Friday he would nominate former Federal Reserve governor Kevin Warsh to be the next US central bank chief, a move that has sparked cautious optimism among observers.

The decision caps a highly publicized search for a successor to Fed Chair Jerome Powell, whom the president has repeatedly lambasted for not cutting interest rates more swiftly.

Trump told reporters Friday that Warsh "certainly wants to cut rates," but added that he did not wish to question Warsh on commitments to do so.

"I have known Kevin for a long period of time, and have no doubt that he will go down as one of the GREAT Fed Chairmen, maybe the best," Trump wrote on Truth Social, announcing his choice.

"On top of everything else, he is 'central casting,' and he will never let you down," Trump added.

Warsh, 55, was the youngest person to serve as a Fed governor, a role he held from 2006 to 2011.



Kevin Warsh

Trump considered Warsh for the top Fed job too during his first presidency, but eventually chose Powell -- a decision he quickly soured on.

Prices of precious metals -- seen as safe haven investments -- sank Friday in a sign that investors were reassured by Trump's choice. The dollar pushed higher.

"I think markets are broadly happy at the moment," Atlantic Council international economics chair Josh Lipsky told AFP.

"It is a pick that another Republican president may have made," Lipsky said. "He cares about the history of the Fed, the process of the Fed, central bank independence, he's talked about this before."

Powell's chairmanship ends in May, and it remains unclear if he will also step down from the Fed's board of governors, which would free up another vacancy Trump could fill.

Warsh will need to be confirmed by the US Senate, where he will face tough questions from lawmakers amid growing concerns about threats to Fed independence.

BB's exchange rate

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"If market conditions deteriorate and foreign exchange liquidity tightens, BB's commitment to flexibility may be tested, risking substantial foreign reserve losses if stability remains prioritised over adjustment," it said.

The IMF also noted that implementing the new system has been challenging.

In May 2024, Bangladesh Bank devalued the official rate from Tk 110 to Tk 117 per US dollar to align with the market, temporarily restoring a transparent interbank FX market.

However, the market soon became shallow again as BB continued to use moral suasion, restricting free quoting and rate flexibility within the band.

Although foreign reserves have risen recently, the IMF said reserve coverage remains inadequate. The Fund considers a safe threshold to be 4.9 months of import cover, with a range of 4 to 6.2 months depending on reserve costs.

The depletion of reserves and deterioration of import coverage since FY21 had raised concerns. The recent build-up in reserves, combined with more flexible rates and reduced interventions, provides "a temporary reprieve."

"Allowing a market-determined and more flexible exchange rate remains critical to rebuild foreign exchange reserves and should remain a near-term priority," the IMF said.

Recent interventions have not always followed the crawling peg introduced in May 2025, the report added.

By end-FY25, gross foreign exchange reserves covered about 3.6 months of imports, projected to exceed four months by FY27 under the programme, supported by greater exchange rate flexibility and aligned FX interventions.

IMF said that over the medium term, policies to maintain flexibility, diversify exports, and attract FDI should help sustain adequate reserve

coverage.

It said that the BB should ensure the proper implementation of the new exchange rate arrangement and continue reducing quasi-fiscal lending in foreign currency to maintain reserve sustainability.

Regarding foreign direct investment (FDI), the IMF said flows remain critically low compared with other developing countries. Recent unrest may limit any near-term increase until after the elections. Targeted measures, including through Export Processing Zones (EPZs), have seen limited success because of macroeconomic uncertainty and a weak investment climate.

BB should ensure the proper implementation of the new exchange rate arrangement and continue reducing quasi-fiscal lending in foreign currency to maintain reserve sustainability

The IMF also assessed the broader external sector. The country's external position in FY25 was moderately weaker than medium-term fundamentals would suggest.

Running moderate current account deficits is consistent with the country's per capita income, growth prospects, and development needs. The current account was broadly balanced in FY25, aided by a recovery in exports, record-high remittances, and still subdued imports.

Meanwhile, the financial account remained relatively stable, with slightly higher trade credit outflows and amortisations offset by lower banking sector outflows.

Stronger exports and remittances, together with lower capital outflows, helped accumulate foreign reserves in FY25, the IMF said.

BB autonomy deadlocked

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in October last year and submitted it to the finance ministry.

It has 45 proposed changes, including reducing the maximum number of directors on bank boards from 20 to 15 and increasing the number of independent directors to at least half of the board, up from the current three.

The draft also recommends that independent directors be appointed from a vetted pool of candidates shortlisted by an expert panel.

Another proposal would limit ownership concentration by preventing any individual, family or institution from holding more than 5 percent stakes in multiple banks.

BB says the amendments aim to improve governance standards and strengthen oversight of both private and state-owned banks.

However, private bank owners have expressed opposition to the proposals. The Bangladesh Association of Banks (BAB) formally communicated its objections to the finance ministry, especially regarding the proposed ownership limits.

Zahid Hussain, former lead economist at the World Bank's Dhaka office, said the delay is difficult to explain given how the drafts were prepared.

"This is not a new file," he said.

According to Hussain, the drafts were developed after extensive discussions, including coordination committee meetings involving the finance ministry, BB and other stakeholders. The reforms were outlined in IMF mission reports and incorporated into the government's Letter of Economic and Financial Policies, signed by both the finance minister and the BB governor.

"After that process, the role of the finance ministry is straightforward," he said. "It should review the draft, clear it, or clearly explain why it cannot be cleared."

Leaving the file idle for months, he said, raises questions. Hussain said the delay shows

resistance linked to authority rather than technical disagreements. "One key element of the reform is reducing the representation of the finance ministry on the Bangladesh Bank board. From that perspective, the issue is control," he said.

He added that the central bank's independence should not be defined narrowly. "It is not only about fiscal dominance. It also involves bureaucratic dominance and influence from business lobbies."

According to the economist, passing the reform laws now would clarify where institutions and political actors stand, rather than deferring responsibility to the next government.

For comments, The Daily Star approached Finance Adviser Salehuddin Ahmed, BB Governor Ahsan H Mansur and Financial Institutions Division Secretary Nazma Mobarek. Despite phone calls and text messages, they did not respond.

China factory activity loses steam in January

AFP, Beijing

China's factory activity slowed in January, official data showed Saturday, missing forecasts after a brief rise into positive territory at the end of last year.

A key measure of industrial health, the manufacturing purchasing managers' index slipped to 49.3 this month, the National Bureau of Statistics (NBS) said.

The reading fell below the 50-point mark that divides expansions and contractions, also significantly behind the 50.1 forecast by a Bloomberg survey of economists.

NBS statistician Huo Lihui said in a statement that the data reflected "insufficient effective market demand", as well as a "traditional off-season" for certain manufacturing sectors.

Plan to reduce SIM limits deferred

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In a letter, the Posts and Telecommunications Division (PTD) formally approved BTRC's proposal, instructing the regulator to take necessary measures to implement the five-SIM ceiling from the beginning of 2026.

Despite receiving the approval, the commission has opted to postpone enforcement.

According to the meeting minutes, BTRC officials noted that the schedule for the 13th national parliamentary election had already been announced, leaving insufficient time to implement such a major regulatory change from January 1, 2026.

"Given the current election timeline and the limited time available prior to the polls, immediate implementation may create unnecessary suffering for citizens," the commission decided, noting that mobile connectivity is particularly critical for communication, political coordination and emergency services. BTRC resolved to take necessary steps to implement the five-SIM limit only after the election concludes.

The SIM ownership cap has long been a sensitive issue in the country's

telecom sector. While security agencies argue that limiting the number of SIM cards per individual is essential to prevent financial fraud, cybercrime, illegal call termination and anonymous political violence, mobile operators and consumer rights groups have warned of operational challenges and customer hardship.

Bangladesh currently has more than 187 million mobile connections, many of which are used for business operations, ride-sharing services, mobile financial services, e-commerce platforms and IoT-based devices.

Industry insiders said the frequent changes in SIM registration policy have often caused confusion among subscribers.

Shahed Alam, chief corporate and regulatory officer of Robi Axiata PLC, said the limit of 15 SIM cards was set for valid reasons. However, BTRC has recently reduced the number further. He added that social realities must be taken into consideration, including women's limited access to SIM registration centres.

"Such decisions should involve consultation so that a consumer-friendly policy can be adopted," he said.

Local sales surpass

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conditions, cleanliness and hygiene standards, digital content, contributions as exporters, product manufacturing, and innovation.

With the objective of diversifying export products and markets and enhancing exporters' capacity, a series of eight seminars were organised as side events of the fair under the initiative of the EPB.

Online systems were introduced this year for stall and pavilion allocation and for purchasing entry tickets.

For visitors' convenience, in addition to dedicated BTRC bus services, Pathao services were provided at concessionary rates.

At this year's trade fair, Bangladesh Square was constructed to display still photographs commemorating the Language Movement of 1952, Bangladesh's Liberation War, and the injured and martyrs of the July 2024 movement.

Commerce Adviser Sk Bashir Uddin announced the closure of the show at an event at the exhibition centre yesterday.