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Star BUSINESS

Trade bodies demand urgent fix to Ctg port deadlock

STAR BUSINESS REPORT

Leaders of ten major trade bodies have demanded immediate government intervention to resolve the ongoing deadlock at Chattogram port, which handles over 90 percent of the country's maritime trade, terming it a "great disaster".

This is the first time in the country's history that all vessels have remained at a standstill at the port, they claimed in a joint statement at a press conference at the Gulshan office of the Bangladesh Textile Mills Association (BTMA) in Dhaka yesterday.

"This is not a normal strike; it is equivalent to destroying the country's heart of business and trade by creating a deadlock at Chattogram port," the statement said.

The economy suffers losses of several thousand crores of taka even from a single day's deadlock at the port, they added.

Operations at the port came to a halt after workers and employees of the seaport enforced indefinite work abstention from February 3, opposing the move by the interim government to hand over the operation of the New Mooring Container Terminal (NCT) at the port to UAE-based firm DP World.

Operations at the port came to a halt after workers and employees of the seaport enforced indefinite work abstention from February 3

Goods from export and import vessels have not been loaded or unloaded for nearly a week.

The joint statement was issued by top trade bodies, including the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), Bangladesh Textile Mills Association (BTMA), Metropolitan Chamber of Commerce and Industry (MCCI), Dhaka Chamber of Commerce and Industry (DCCI), and Bangladesh Employers' Federation (BEF).

The Bangladesh Chamber of Industries, Bangladesh Garment Buying House Association, Bangladesh Garments Accessories & Packaging Manufacturers & Exporters Association (BGAPMEA) and Bangladesh Terry Towel & Linen Manufacturers & Exporters Association (BTTLMEA) also signed the statement.

The country's external trade, including the main export earner garments, has been facing irrecoverable losses due to the situation, they noted.

Exportable goods cannot be shipped, and imported goods cannot be released from vessels,

READ MORE ON B3

NBR split caught in bureaucratic wrangle

BAHARAM KHAN *and* MD ASADUZ ZAMAN

Although the authorities published the gazette notification to split the revenue board, the implementation has yet to be completed as bureaucrats at the Secretariat are divided over staffing approval.

Revenue board officials said a new organogram seeking staffing for the new two divisions has been sent, but it is now stuck at the Ministry of Public Administration due to the standoff.

According to them, the bifurcation process may remain incomplete, as the interim government has only two working days before the February 12 polls.

The interim government aimed to divide the revenue board into policy and management divisions during its tenure. Multilateral lenders, including the International Monetary Fund (IMF), had long advocated for the split to boost revenue collection and improve transparency.

In May last year, the government issued an ordinance abolishing the National Board of Revenue (NBR) and forming two divisions. But revenue cadres protested, arguing that it would place administrative officers in top revenue posts. Facing opposition, the government issued a revised ordinance in September, allowing revenue officers to fill the senior posts in the new divisions.

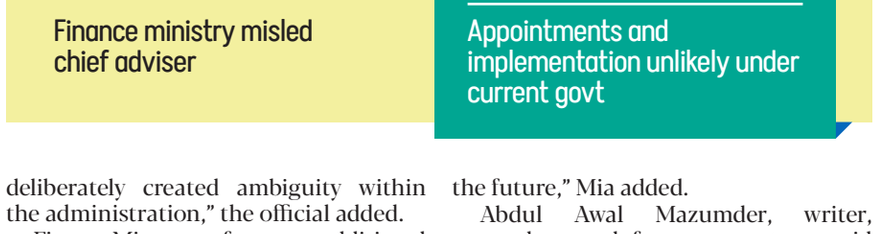
On January 21, the advisory council approved the necessary amendments to the rules of business.

Usually, such amendments require clearance from the Secretaries' Committee on Administrative Development, chaired by the cabinet secretary.

But the finance ministry sent the amendments directly to the chief adviser, claiming it was not possible to convene the committee due to election-related work pressures, according to documents.

In reality, the committee met the same day at the Cabinet Division at 3 pm, said an additional secretary at the division, speaking on condition of anonymity.

"It is clear that the finance ministry deliberately created ambiguity within the administration," the official added.



Firoz Mia, a former additional secretary of the Ministry of Public Administration, said that launching a separate institution requires approval of the staffing structure not only from the ministries of public administration and finance but also from the secretaries' committee.

"This is a very standard procedure and must be followed," he said.

He was critical of the interim government for creating "unprecedented disorder" in public administration over the past one and a half years.

"The same thing is happening now with the NBR bifurcation. If implemented, it will further increase administrative chaos in the future," Mia added.

Abdul Awal Mazumder, writer, researcher, and former secretary, said bypassing established procedures sets a worrying precedent.

Reflecting on his five years at the Cabinet Division, he recalled that during the BNP government, even when the prime minister approved a decision bypassing the Cabinet Division, it was later annulled. "This kind of decision should not be taken at the end of a government's tenure," he added.

Asked about the Cabinet Division's claim, Secretary of the Internal Resources Division (IRD) under the finance ministry and NBR Chairman Md Abdur Rahman Khan declined to comment, saying, "Shouldn't make any comment on this sensitive matter now."

Earlier, however, Khan had told the media that the separation process would be completed by the end of the interim government's tenure.

Finance Adviser Salehuddin Ahmed made a similar statement in December last year.

A senior NBR official said all procedures on their end had been completed. "This final step has been held up due to a lack of cooperation from the administration cadre. It's very disappointing," he added.

He commented that the delay was likely due to the upcoming election and that the situation could have been avoided if the process had been completed even a month or two earlier.

BIFURCATION ALSO FACES LEGAL CHALLENGE

On February 1, days after the advisory council approved the amendments, Tanvir Ahmed, a joint secretary of the Cabinet Division, filed a writ petition against seven secretaries, including the cabinet and principal secretaries, challenging the legality of the NBR bifurcation process.

Ahmed said the Internal Resources Division, the designated policy-making body, is currently "not strong enough".

He said the issue could have been addressed by strengthening the division and, if needed, expanding the implementing agencies. This would not have significantly increased state expenditure and would have removed the need for an ordinance.

"Rushing this initiative by bypassing the Cabinet Division and the Ministry of Public Administration has raised many questions. Considering all aspects, I filed the writ petition as a conscious citizen and public servant," he said.

Towfiqul Islam Khan, additional research director at Centre for Policy Dialogue (CPD), said the NBR bifurcation should proceed carefully and sustainably.

He warned that rushing the process to claim it as a government achievement is less important than ensuring it is implemented without gaps, as the reform will have long-term implications for the economy.

He noted that the separation has long been recommended in the white paper and was part of the IMF's agenda, making it a well-established demand.

However, he pointed out that economic reforms rarely receive political debate, despite parties promising revenue modernisation in their manifestos.

Without strong groundwork and political consensus, Khan believes, a hurried push by an outgoing government could prove counterproductive, as such reforms are difficult to reverse once implemented.

Food grain imports surge 42% in first half of FY26

STAR BUSINESS REPORT

Bangladesh's food grain imports surged 42 percent year-on-year to 42 lakh tonnes in the first half of the current fiscal year (FY) owing to higher imports, particularly by the private sector.

Of the amount, 84 percent or 35 lakh tonnes were wheat, and the rest were rice brought in by the public and private sectors, according to data from the food ministry.

During the period, wheat imports by the private sector surged 31 percent year-on-year to 32.45 lakh tonnes, up from 24.69 lakh tonnes a year earlier.

Meanwhile, imports by the government dropped marginally.

Taslim Shahriar, senior assistant general manager at Meghna Group of Industries (MGI), said a decline in wheat prices in the international market has encouraged imports.

"High prices of rice also buoyed demand for wheat, as it is a substitute. Demand for wheat-based foods is growing, too. This is because people's consumption behaviour has changed," he said.

Market price data compiled by the Food and Agriculture Organization (FAO) showed that the national average retail price of wheat flour stayed below the rates of coarse rice between November 2024 and September 2025.

Later, prices of rice declined due to higher supply from increased domestic production and imports. At the same time, retail prices of wheat flour exceeded the prices of coarse rice.

In October 2025, the national average retail price of wheat flour was Tk 54.28 per kilogramme, and the rice price was Tk 52.20 per kilogramme.

Food ministry data showed that rice imports by both the public and private sectors shot up to 6.65 lakh tonnes in the July-December period of FY2025-26 from 1.75 lakh tonnes a year ago.

The food ministry, in its latest Bangladesh Food Situation Report, said the government undertook initiatives to import 15 lakh tonnes of food grains, including 7 lakh tonnes of rice and 8 lakh tonnes of wheat.

This import aimed to strengthen buffer stocks, mitigate market volatility, and safeguard national food security amid global uncertainties.

The government had imported 1 lakh tonnes of rice and 3 lakh tonnes of wheat, while the remaining quantities were in the import pipeline, the report added.

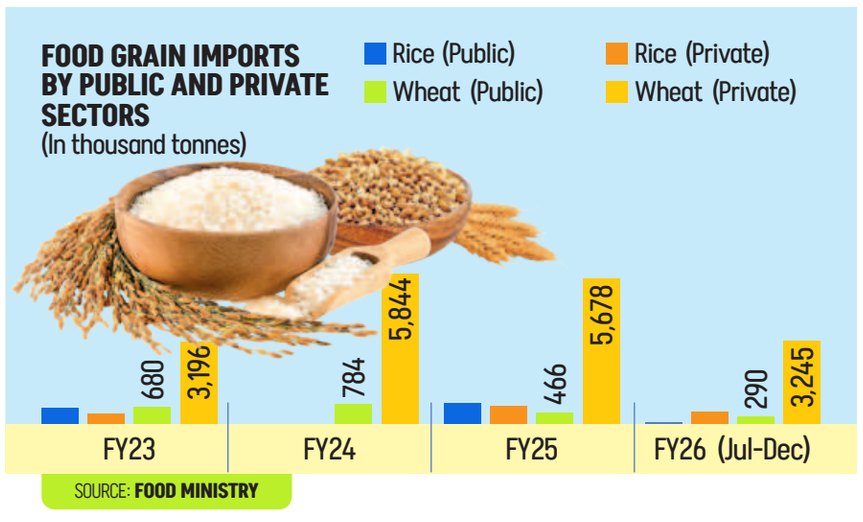
To stabilise domestic supply and prices, rice import duties were reduced, and the private sector was authorised to import 6 lakh tonnes of rice. Under this approval, the private sector imported nearly 4.9 lakh tonnes by November 2025, close to the scheduled target.

Recently, the government granted permission for the private sector to import an additional 2 lakh tonnes of rice.

The food ministry report projected that Bangladesh's total rice import during FY26 would be more than 14 lakh tonnes, almost equal to the volume of imports in the previous year.

Wheat imports, which meet over 85 percent of the country's demand, will rise to 71.75 lakh tonnes in the current FY26, registering a 17 percent year-on-year increase.

The MGI official Shahriar said the amount of wheat may be close to the projection of the food ministry.



GP profit falls to 8-year low

STAR BUSINESS REPORT

The country's largest mobile operator, Grameenphone (GP), saw its profit fall 18.5 percent in 2025 to the lowest level in eight years, amid weak consumer spending and subdued purchasing power.

The company posted a profit of Tk 2,958 crore last year, down from Tk 3,631 crore in 2024.

"Over the past several quarters, we faced strong macroeconomic challenges but later saw some early signs of stabilisation," GP CEO Yasir Azman said, adding that 2025 was a recovery year for the company.

GP's revenue also fell slightly last year, with earnings dropping by Tk 39 crore from Tk 15,845 crore in 2024. It declared a 105 percent final cash dividend for 2025, bringing the total dividend for the year, including the interim payout, to 215 percent.

The company had paid a 330 percent cash dividend the previous year.

Earnings per share declined to Tk 21.90 from Tk 26.89 the previous year.

Meanwhile, in the fourth quarter of 2025, the company reported revenue of Tk 3,860 crore, a 3.3 percent year-on-year

READ MORE ON B3

TK 13,447CR DISPUTE

BTRC seeks legal advice as GP, Robi want arbitration

MAHMUDUL HASAN

Bangladesh's telecom regulator is seeking legal advice on arbitration proposals from the county's two largest mobile operators to resolve a dispute over Tk 13,447 crore in audit claims.

Grameenphone (GP) and Robi Axiata have formally asked the Bangladesh Telecommunication Regulatory Commission (BTRC) to consider alternative dispute resolution mechanisms to settle the cases. The regulator wants to know if there is a legal basis for it, what procedures would apply, and what the pros and cons might be.

The matter was discussed at a recent BTRC meeting, where officials reviewed a detailed working paper on the proposals. The Daily Star has obtained a summary of the document, where legal advisers suggest the path will not be easy.

ORIGIN OF THE DISPUTES

The claims date back to a 2019 BTRC audit. The regulator says the operators owe money for unpaid annual spectrum fees, value-added tax and revenue sharing.

Both companies dispute the amounts and deny evading any taxes, triggering a legal battle between them and the BTRC, with cases filed in 2019.

GP, the country's largest telecom operator, faces the larger bill. Based on an audit covering 1997 to 2014, the BTRC sent the company a demand notice in April 2019.

According to the regulator, GP owes Tk 12,579.95 crore to the government, including dues payable to the BTRC and the National Board of Revenue (NBR).

The case remains unresolved nearly six years later.

In two letters to the regulator, GP proposed arbitration as a way out. The operator pointed to the slow pace of lower court proceedings, with little hope of a quick resolution even on appeal.

It also argued that complex technical issues could be better handled by experts in an arbitration tribunal.

The company has asked the BTRC to define the scope, process and conditions for arbitration.

READ MORE ON B3

Nagad to receive remittances through National Bank

STAR BUSINESS DESK

Nagad Limited, the mobile financial service (MFS) provider of the Bangladesh Postal Department, has signed an agreement with National Bank PLC to launch a new and convenient channel for expatriates' families to receive remittances in Bangladesh.

Adil Chowdhury, managing director of National Bank PLC, and Md Motasem Billah, administrator of Nagad Limited, signed the agreement at the latter's head office in Banani, Dhaka, according to a press release.

Describing the initiative as a groundbreaking step towards expanding remittance services to marginalised and underserved communities, Chowdhury and Billah expressed optimism that the partnership would boost remittance inflows and contribute positively to the national economy.

Under the arrangement, remittances sent from abroad through National Bank will be credited directly to beneficiaries' Nagad mobile wallets. Expatriates will be able to send money through international exchange houses, money transfer operators (MTOs) or banks.

Beneficiaries, including those in remote areas, will be able to receive and use the funds round the clock from anywhere, with minimal cash-out charges. Remittance recipients will also continue to enjoy the government's 2.5 percent incentive.

The service will be available through more than 60 MTOs and over 300,000 Nagad Uddokta points across the country.

Md Meshkat-ul-Anwar Khan, deputy managing director (in-charge) of the bank, and Milton Roy, head of the remittance division; attended the signing ceremony.

Md Motasem Billah, administrator of Nagad Limited, and Adil Chowdhury, managing director of National Bank PLC, exchange signed documents of an agreement at the former's head office in Banani, Dhaka recently.

PHOTO: NAGAD

Nurul Azim becomes MD of Shimanto Bank

STAR BUSINESS DESK

Md Nurul Azim

Md Nurul Azim has been appointed as the managing director (MD) and the chief executive officer, respectively, of Shimanto Bank PLC.

Prior to joining the new bank, Azim was serving as managing director of Islamic Finance and Investment PLC, a non-bank financial institution in Bangladesh, according to a press release.

With nearly 25 years of experience in the banking sector, he has held various key positions with distinction and professional excellence.

He began his banking career at Premier Bank PLC as a management trainee officer.

He later served at Southeast Bank PLC, National Bank PLC and SBAC Bank PLC in various capacities.

Over his long banking career, Azim has gained extensive expertise across diverse functions, including credit, banking operations, foreign trade, general banking, law and recovery, credit administration, audit and financial administration.

He obtained his master's degree from Rabindra Bharati University in West Bengal, India.

PHOTO: MIDLAND BANK

Md Ahsan-uz Zaman, managing director and CEO of Midland Bank PLC, inaugurates the bank's new Jashore branch on RN Road in Jashore Sadar recently.

Midland Bank opens Jashore branch

STAR BUSINESS DESK

Midland Bank PLC recently launched its Jashore branch on RN Road in Jashore Sadar.

Md Ahsan-uz Zaman, managing director and CEO of Midland Bank PLC, inaugurated the branch as the chief guest, according to a press release.

In his speech, Zaman thanked the audience for attending and encouraged them to build a relationship with the bank by opening an account.

He also instructed branch officials to provide the best possible service to customers and urged them to use Midland Online -- the bank's free internet banking application -- to enjoy safe, secure and modern banking services from anywhere, at any time.

Md Rashadul Anwar, head of the Public Relations Division, moderated the inaugural ceremony.

Md Rashed Akter, head of the Retail Distribution Division, and Abdul Barik, manager of the Jashore Branch, along with customers, government and non-government officials from various organisations, and local businessmen, were also present.

The head of the General Services Division, the Public Relations Division, and the area and cluster heads of Jashore branch also took part in the ceremony.

Monzula Morshed appointed DMD of BRAC Bank

STAR BUSINESS DESK

Monzula Morshed

BRAC Bank PLC has appointed Monzula Morshed as deputy managing director and chief human resources officer, effective from February 1, 2026.

Monzula will also serve as a member of the bank's management committee, according to a press release.

Prior to taking up her new role, she was serving as lead consultant at Second Mountain Consulting.

She brings more than 25 years of experience as a people and organisational leader across the telecommunications, manufacturing, banking and fast-moving consumer goods (FMCG) sectors.

Earlier, she spent more than a decade at Banglalink Digital Communications Limited and Lafarge Surma Cement Limited.

Her career also includes senior leadership roles at Standard Chartered Bank in Bangladesh and Thailand, and British American Tobacco Bangladesh.

Monzula obtained her bachelor's degree from the Institute of Business Administration (IBA) at the University of Dhaka and later completed her MBA from the same university.

She also completed executive leadership and advanced HR programmes at INSEAD, London Business School and the University of Oxford.

Standard Bank strikes deal with Seagull Hotels

STAR BUSINESS DESK

Standard Bank PLC recently signed a memorandum of understanding (MoU) with Seagull Hotels Limited in Cox's Bazar.

Md Siddiqur Rahman, acting managing director of Standard Bank PLC, and Masoom Iqbal, chairman of Seagull Hotels Limited, signed the MoU at a ceremony held at the bank's head office in Dhaka, according to a press release.

Under the MoU, Standard Bank cardholders will receive discounts of up to 50 percent at Seagull Hotel, Cox's Bazar, and up to 60 percent at Seagull Resort & Spa Village in Tangail.

Senior executives from both organisations were also present at the event.

Masoom Iqbal, chairman of Seagull Hotels Limited, and Md Siddiqur Rahman, acting managing director of Standard Bank PLC, pose for a photograph after signing the memorandum of understanding at the bank's head office in Dhaka recently.

PHOTO: STANDARD BANK

PHOTO: NRBC BANK

Nawshad Mustafa, director of the SME and Special Programmes Department of Bangladesh Bank, receives a cheque worth over Tk 70.57 crore from Md Touhidul Alam Khan, managing director and CEO of NRBC Bank PLC, for the startup investment fund at the BB headquarters in Motijheel, Dhaka recently.

NRBC Bank contributes Tk 70.57cr to startup investment fund

STAR BUSINESS DESK

NRBC Bank PLC has contributed more than Tk 70.57 crore to Bangladesh Bank as part of initiatives aligned with the central bank's directives on the formation and operation of Bangladesh Startup Investment Company PLC.

Md Touhidul Alam Khan, managing director and chief executive officer of NRBC Bank PLC, handed over the cheque to Nawshad Mustafa, director of the SME and Special Programmes Department (SMESPD) of Bangladesh Bank, at the central bank's headquarters in Motijheel, Dhaka recently, according to a press release.

Through the initiative, NRBC Bank reaffirmed its support for Bangladesh Bank's efforts to nurture new entrepreneurs and promote entrepreneurship development. The bank said it remains committed to strengthening the country's startup ecosystem in pursuit of sustainable economic growth.

Tanusree Mitra, head of the credit management division of NRBC Bank PLC, and Sk Ahsanul Haque, head of the SME financing division, along with other senior officials from both organisations, were present at the event.

Salinity, shorter winters

FROM PAGE B4

While disinterest in wheat farming translates to acres of fallow land in Patuakhali, farmers in some other southern districts opt for cultivating crops such as maize or papaya -- garnering higher profit.

Despite falling acreage, the spread of improved, heat- and disease-tolerant varieties helped cushion total production losses. Farmers have been shifting to varieties that mature early and can tolerate higher temperatures while giving better yields.

"From next year, we plan to promote the heat-tolerant BARI-33 variety at the farmer level," Barguna DAE Deputy Director Rathindra Nath Biswas said.

BWMRI is working to develop salt-tolerant wheat varieties in Patuakhali, Barguna and other southern districts. The institute is conducting experimental cultivation on 10 bighas near Payra Port and Pakhimara area in Kalapara, and on one bigha in Amtali, Barguna. Several salt- and heat-tolerant varieties, including BARI Gom-30, BWMRI-2 and 4, and BW-1243, 1286, 1290, 1422, 1425, 1435 and 1439, are being tested.

Mehedi Hasan, assistant scientist of the project, said they are working to encourage farmers and expand wheat cultivation in the region.

"The results are promising. We hope increased wheat production on fallow saline lands will help reduce the country's dependence on imports," he said.

In its Grain and Feed Update on Bangladesh, released in December 2025, the US Department of Agriculture (USDA) predicted that wheat acreage could be 2.90 lakh hectares and production 10.5 lakh tonnes.

Local production currently meets only about 13 percent of Bangladesh's total wheat demand, according to the USDA. The Food and Agriculture Organisation of the United Nations estimates that imports cover the rest, roughly 80 percent of national consumption.

IFIC Bank achieves PCI DSS certification

STAR BUSINESS DESK

IFIC Bank PLC has achieved the internationally recognised Payment Card Industry Data Security Standard (PCI DSS) certification for the fourth consecutive year, reaffirming its commitment to robust card data security management.

Syed Mansur Mustafa, managing director of IFIC Bank PLC, received the PCI DSS certification from Aftab Rizvi, chief executive officer of Risk Associates -- the certification authority, at IFIC Tower in Dhaka yesterday, according to a press release.

The PCI DSS certification plays a vital role in ensuring uninterrupted card operations, maintaining compliance with regulatory requirements, and strengthening customer confidence in digital payment services.

By adhering to this international standard, IFIC Bank continues to enhance its card data security framework, making it more robust, modern and future-ready. The certification also ensures greater protection of customers' sensitive information and reinforces trust in digital and card-based banking services.

Iftekhar Alam Ishaque, chief executive officer of SSL Wireless Limited, was also present, along with deputy managing directors and members of the bank's senior management team and other officials, as well as senior representatives from Risk Associates and SSL Wireless Limited.

PHOTO: IFIC BANK

Syed Mansur Mustafa, managing director of IFIC Bank PLC, receives the Payment Card Industry Data Security Standard (PCI DSS) certification from Aftab Rizvi, chief executive officer of Risk Associates, at IFIC Tower in Dhaka yesterday.

The rise and fall

FROM PAGE B4

to border security and defence spending among many other budget measures, is expected to add several trillion dollars to US debt.

The second reason for the long-term increase in the gold price is its greater use in investor portfolios for speculative purposes. The "safe-haven" role of gold implies a negative correlation between stocks and gold. That is to say, when one rises the other falls – and vice versa.

However, with the S&P500 (the index tracking the top 500 companies listed in the US) also reaching record highs, stocks and gold have instead been moving in the same direction. This indicates that investors are buying both asset types.

A major component in the growth of gold as an investment asset (as opposed to only a safe haven) is the rise of gold ETFs (exchange-traded funds) that make it easier for non-professional investors to purchase gold.

So why the fall?

Rather than a single event, there has been an accumulation of small changes, combined with the usual sways in investor sentiment. Geopolitical risk remains high, both in Ukraine and the Middle East (while the situation in Israel and Gaza is calmer, that is not the case with Iran). But there are some positive signs.

Trump's on-off use of tariffs as a means of political negotiation (this time regarding Greenland) also contributed to a rise and fall in the gold price. And the nomination of Kevin Warsh as the new governor of the US Federal Reserve is expected to lessen economic risk.

Garment exports to US rise 12% in Jan-Nov 2025

STAR BUSINESS REPORT

Readymade garment exports from Bangladesh to the United States grew 12.43 percent to $7.6 billion in the first eleven months of 2025, according to the US Office of Textiles and Apparel (Otexa).

The growth came despite a sharp fall in November, when exports dropped 14.57 percent to $526.51 million compared with the same month a year earlier.

Overall, US apparel imports declined slightly during the January-November period, falling 1.44 percent in value and 3.23 percent in volume. Average prices rose 1.85 percent, Otexa data showed.

Bangladesh was not alone in expanding its US market share last year. Vietnam's garment exports there grew 11.35 percent, India's rose 6.04 percent, Pakistan's by 11.82 percent, Indonesia's by 9.79 percent, and Cambodia experienced a strong 26.18 percent increase. China's exports, in contrast, fell sharply by 33.90 percent.

In terms of volume, Bangladesh recorded a strong growth of 13.30 percent, Vietnam 11.99 percent, India 4.73 percent, Pakistan 18.28 percent, Indonesia 13.39 percent, and Cambodia surged 35.40 percent. China saw a sharp decline of 25.86 percent, Otexa said.

Unit prices per garment piece from January to November 2025 varied across countries. Bangladesh experienced a slight drop of 0.77 percent, Vietnam 0.57 percent, China 10.84 percent, Cambodia 6.81 percent, Pakistan 5.46 percent, and Indonesia 3.18 percent. India was the only country to see a price increase, rising 1.25 percent, Otexa added.

PHOTO: STAR/FILE

Apparel items are on display at a trade show in Dhaka. Bangladesh posted double digit growth in garment exports to the US last year despite growing competition from regional rivals.

Gold, silver plunge on selloff

REUTERS

Gold and silver prices fell sharply in a broader market selloff on Thursday, as an advance in the dollar to a near two-week high and signs of easing US-China trade tensions added further pressure on the precious metals.

Spot gold declined 2.5 percent at $4,838.81 per ounce, as of 0535 GMT, retreating from a near one-week high hit earlier in the session.

US gold futures for April delivery dropped 1.9 percent to $4,855.60 per ounce.

"The dollar received a new lease of life with the (Kevin) Warsh nomination (as Federal Reserve chief), and the currency has been able to keep making forward progress ... traders are more circumspect now on gold in light of recent extreme volatility," Tim Waterer, KCM chief trade analyst, said.

The dollar rose to a near two-week high on Thursday, making greenback-priced gold more expensive for other currency holders.

"Sentiment (has) turned soggy across most asset classes, including precious metals, cryptocurrencies and regional equities, with losses feeding into one another and creating a self-reinforcing feedback loop amid thin market liquidity," said Christopher Wong, a strategist at OCBC. Asia stocks faltered, tracking their US peers as concerns about the exploding costs of AI investment hounded the tech sector.

Spot silver plummeted 14.9 percent to $74.94 an ounce. Last week, the precious metal touched a record high of $121.64.

"The industrial demand has vanished at the higher levels. Most of the industrial buyers have stopped buying silver, and even solar panel producers in China are looking for alternatives," Shah added.

On the geopolitical front, Iran and the US have agreed to hold talks in Oman on Friday, officials on both sides said. China is considering buying more US-farmed soybeans, US President Donald Trump said after what he called "very positive" talks with his Chinese counterpart Xi Jinping on Wednesday.

Ethical business practice has become increasingly difficult

Experts warn, citing manual processes and unofficial payments as major threats

STAR BUSINESS REPORT

A recent surge in unofficial payments across licensing, compliance, and utility services is undermining the country's push for ethical business practices, said Khondaker Golam Moazzem, research director at the Centre for Policy Dialogue (CPD).

He made this remark while presenting a keynote paper at a roundtable titled "Business Climate in Bangladesh: Issues and Challenges of Ethical Practice", jointly organised by the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) and the International Business Forum of Bangladesh (IBFB) at the chamber's auditorium in Dhaka yesterday.

"If an official can still say 'come to the office', the system remains manual -- and that creates space for unofficial payments," Moazzem said, adding that partial digitalisation has failed to curb discretion and repeated physical interaction with offices.

He proposed business process reengineering to reduce delays, duplication, and informal costs, arguing that end-to-end digitalisation of documentation, verification, and payments is essential to lowering the cost of doing business.

Moazzem said the business community is facing two major transitions at once: a political transition, with new leadership expected to take charge, and graduation from the least developed country (LDC) category, expected in November this year.

"The business community will have to engage with the new political leadership in a new way," he said, urging businesses to raise long-standing problems more firmly.

He cautioned that ethical business practice is becoming increasingly difficult as delays and discretion have intensified unofficial payments in recent months, worsening the business climate compared to earlier periods.

Nazrul Islam, secretary at the Ministry of Foreign Affairs, said institutional reform and behavioural change are critical as Bangladesh navigates a sensitive transition marked by an upcoming national election and LDC graduation.

Islam said the country stands at a "critical juncture" in its history, where reforms must deliver tangible outcomes rather than remain policy exercises on paper.

"Reform for the sake of reform is not enough," he said. "People must see real benefits. Otherwise, it cannot be called reform."

He added that Bangladesh's youth and citizens had paid a high price in past movements for a more just society, rule of law, and inclusive development, and those aspirations must now be reflected in governance and business facilitation.

He stressed that widespread manual processes within public offices remain a major barrier and a key source of corruption.

"If services were fully online and no one needed to visit offices physically, many of these problems would disappear," he said.

Highlighting the link between domestic business conditions and foreign investment, Islam said issues such as profit repatriation, regulatory predictability, and service delivery are closely interconnected.

He added that the foreign ministry stands ready to work with the commerce ministry, business bodies, and other stakeholders to address post-LDC challenges, including trade agreements and investment promotion.

Mohammad Khaled Rahim, secretary of the Anti-Corruption Commission (ACC), said corruption often happens because of weaknesses in the system, not only because of the bad intentions of individuals.

Rahim said the ACC's preventive efforts have lacked adequate emphasis. He urged businesses to submit concrete complaints with verifiable details, assuring anonymity would be protected if requested.

"Without specific allegations, it becomes difficult for us to proceed legally," he said.

Rahim added that loan default cases often implicate bank officials acting under pressure. "Systemic coercion is a reality," he said.

MS Siddiqui, former vice president of IBFB, criticised Bangladesh's regulatory system for burdening businesses through corruption, excessive discretionary powers, and ineffective reforms. He highlighted flaws in customs automation, arbitrary penalties on HS code errors, and exploitative tax laws.

Siddiqui called for abolishing outdated practices such as trade licences and bonded warehouse abuse, and urged differentiation between wilful and non-wilful loan defaulters.

He emphasised the importance of ethical governance and urged the government to see businesses as partners in development, not enemies, and to make doing business easier through real reforms.

"Ethics lie at the heart of sustainable business," said Lutfunnisa Saudia Khan, president of the IBFB, stressing that responsible corporate conduct is essential for long-term growth and public trust.

"The challenges we face today cannot be addressed by law alone," she said, underscoring the need for collective efforts, open dialogue, and shared responsibility among stakeholders.

Moderated by Md Abdur Rahim Khan, administrator of the FBCCI, the event also featured Muhammad Abdul Mazid, chairman of the National Board of Revenue, among others.

Trump fuels EU push to cut cord with US tech

AFP, *Brussels*

Until President Donald Trump's return a year ago, when the EU talked about cutting economic dependency on foreign powers -- it was understood to mean China. But now Brussels has US tech in its sights.

As Trump ramps up his threats -- from strong-arming Europe on trade to pushing to seize Greenland -- concern has grown that the unpredictable leader could, should he so wish, plunge the bloc into digital darkness.

Since Trump's Greenland climbdown, top officials have stepped up warnings that the European Union is dangerously exposed to geopolitical shocks and must work towards strategic independence -- in defence, energy and tech alike.

The 27-country bloc relies on foreign countries for over 80 percent of digital products, services, infrastructure and intellectual property, according to a 2023 EU report. Europe has already begun chipping away at its reliance on US tech.

The latest step came last week when France told state employees they would soon be required to use a domestic alternative to tools like Zoom or Microsoft Teams.

Brussels' wake up call came last year when Washington sanctioned judges at the International Criminal Court, cutting them off from US tech such as Amazon or Google.

The move laid bare the US stranglehold over many tools that underpin European lives.

"During the last year everybody has really realised how important it is that we are not dependent on one country or one company when it comes to some very critical technologies," EU tech tsar Henna Virkkunen said.

"Dependencies... can be weaponised against us," she warned.

Virkkunen will in March unveil a major "tech sovereignty" package covering cloud, artificial intelligence and chips -- areas where the EU hopes to build greater autonomy.

"Digital technologies are no longer neutral tools," European Digital SME Alliance's secretary general, Sebastiano Toffaletti, told AFP.

"When core infrastructures like cloud, AI or platforms are controlled from outside Europe, so are the rules, the data and ultimately the leverage."

Among EU member states, France and Germany have been leading the charge.

The northern German state of Schleswig-Holstein became a poster child for digital sovereignty last year by ditching Microsoft in favour of open-source software.

Digitalisation minister Dirk Schroedter said the move was economically-driven at first, before "political tensions" shifted the focus.

"Dominance of a few tech corporations in public infrastructure limits... our flexibility, threatens our security and inflates our software costs," Schroedter told AFP.

Over six months, the state migrated more than 40,000 mailboxes from Microsoft Exchange and Outlook to open-source solutions Open-Xchange and Thunderbird.

There were challenging areas during the transition -- for example in document-sharing with other federal states and the national government -- but Schroedter said the state showed "digital independence is possible".

Meanwhile, the European Parliament is reviewing its reliance on Microsoft among other tools after a cross-party group of lawmakers urged it to adopt European alternatives.

Trade bodies demand

FROM PAGE B1

which will make it difficult to meet strict delivery deadlines for international buyers.

The business leaders warned that Bangladesh risks losing work orders if the crisis continues, as international buyers may shift to alternative sourcing countries.

They also noted that export and industrial production are already under pressure due to falling demand, geopolitical crises, and rising production costs.

In such a situation, port demurrage charges, port fees, and storage costs are increasing, directly affecting production costs. Consequently, export prices will rise, negatively impacting international trade.

Additional costs on imported goods may also affect the prices of essential commodities meant for Ramadan sales. Any delay in releasing imported goods could disrupt the timely supply to consumers and raise price levels if the stalemate is not resolved quickly.

An unstable situation has also been created in obtaining bank loans and opening Letters of Credit (LCs) for importing goods.

The business leaders urged the government to resolve the port crisis immediately, considering the greater interest of the country and the economy.

In the statement, the business leaders urged the union leaders to call off the strike. They also suggested that the issue of renting the NCT can be postponed, and the union leaders can have the chance to discuss it with the next elected government.

"It is our firm belief that the government will sit with the labour leaders soon and solve the crisis immediately," the statement reads.

In a separate statement, the DCCI urged the immediate restoration of normal operations at Chattogram port.

"Approximately 54,000 containers of goods have been stranded at the port so far," it said.

Due to this delay in clearance, businesspeople are incurring additional costs of Tk 10,000 to Tk 15,000 per day. This ongoing shutdown is having a severe impact on the country's export sector in particular.

"Moreover, if the situation continues, it will adversely affect the national economy. There is also a growing concern of cancellation or diversion of purchase orders to competitor countries, as we are unable to process shipment of goods in time," it added.

In addition, this unexpected deadlock in cargo handling is likely to increase operational costs across trade and investment activities, creating an extra burden on both businesses and consumers.

The statement called for urgent government intervention to resolve the problem as soon as possible through discussions with all stakeholders concerned with Chattogram port.

The chamber also stressed the need for collective efforts involving the business community, the Chittagong Port Authority and all relevant stakeholders.

GP profit falls

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increase despite tough economic conditions. By year-end, its total subscriber base reached 8.39 crore, with 4.87 crore using the internet.

"Although the environment remains challenging, our Q4 results show we are heading in the right direction -- revenue is growing, profitability is protected, and cash flow is strong, while we continue to build a more value-focused and resilient business for the long term," said CEO Azman.

Otto Magne Risbakk, chief financial officer of Grameenphone, added, "Consumer spending continues to be under pressure and purchasing power remains subdued, so we continue to focus strongly on cost discipline. Over the year, we executed a range of strategic and commercial initiatives, which proved effective as we progressed each quarter."

BTRC seeks legal advice

FROM PAGE B1

Meanwhile, Robi Axiata, the second largest operator in the country, is contesting an audit claim of Tk 867 crore in unpaid revenues to the BTRC and NBR. This case, too, has dragged on for nearly six years. Robi proposed mediation, arguing it would be faster and less adversarial.

However, BTRC documents show that if mediation fails, the dispute would move to arbitration anyway.

LEGAL ROADBLOCKS

The legal opinions cited in the BTRC document paint a difficult picture for both GP's arbitration proposal and Robi's mediation.

According to Justiciars, a law firm retained by the BTRC, arbitration under Bangladesh's Arbitration Act of 2001 requires a valid and binding agreement between the parties.

Courts have already ruled that no such agreement exists between the BTRC and the operators, meaning there is no legal obligation to pursue arbitration.

The firm noted, however, that the parties could voluntarily agree to arbitration because of its advantages, namely speed and finality. Any such agreement would need to be narrowly focused on the specific dispute and must not interfere with other dispute-resolution mechanisms.

Another firm, the Capital Law Chamber took a harder line. It argued that the dues claimed by the BTRC arise from statutory obligations under the Telecommunication Act of 2001, making them non-arbitrable.

The firm cited section 89B of the Code of Civil Procedure, noting it is procedural and cannot render statutory disputes arbitrable.

The firm also pointed to Appellate Division orders from 2019 and 2020 requiring GP to deposit Tk 2,000 crore and acknowledging triable issues. This supports the case for judicial determination rather than arbitration.

Khaled Hamid Chowdhury, a panel lawyer and arbitration expert, echoed these concerns.

The disputes, he said, are public law matters and generally non-arbitrable. Any arbitral award could be vulnerable to challenge on public policy grounds.

Legal advisers offered similar views on Robi Axiata's case, cautioning against arbitration or mediation and recommending continuation of the civil court process.

BTRC Chairman Emdad ul Bari said the matter is still under review. The commission has already taken some legal opinions and has decided to seek further advice before making a final decision.

GP PAYS BIG SUM

Of the total Tk 12,579 crore audit claims, GP has paid over 86 percent of the principal amount. However, it is yet to clear Tk 6,100 crore imposed as late fees.

During the previous government's tenure, the BTRC and GP began negotiations over the unpaid late fees. Both sides were seeking an out-of-court settlement in early 2024.

However, the process collapsed after the government fell in August that year. Since then, the BTRC has stepped up efforts to resolve the matter.

In a recent interview with The Daily Star, GP CEO Yasir Azman said the company was interested in arbitration to settle the dispute.

"In our 28 years of operation, not a single annual audit dispute has been resolved," he said. The prolonged uncertainty, he argued, undermines investor confidence.

Azman said GP has Tk 12,500 crore stuck in financial disputes with the regulator, noting that such issues discourage foreign investors from continuing to invest.

As a way forward, he suggested pursuing international arbitration.

Otherwise, he warned, the disputes could remain stuck in court for another decade, increasing pressure on operators.

OTHER OPERATORS IN A SIMILAR BIND

The regulator also audited Banglalink, covering the period from 1996 to 2019.

In 2023, it asked the operator to pay more than Tk 820 crore. Of this, Tk 390 crore was for VAT, tax and other principal dues, while Tk 430 crore was claimed as late fees. Banglalink has already paid the principal amount and is seeking an out-of-court settlement.

Bitcoin plunges below $70,000

AFP, *London*

Bitcoin, the world's biggest cryptocurrency, extended its price slump Thursday to trade under $70,000 for the first time since Donald Trump's presidential election victory in November 2024.

The digital currency dropped as low as $69,821.18 before climbing back above $70,000.

Bitcoin has fallen sharply in recent weeks as investors pull back from risky assets. It had reached a record high above $126,000 in October.

"Bitcoin continues to suffer... caught up in the broader risk-off mood and geopolitical turmoil that has pushed investors away from riskier assets towards safe havens," noted Victoria Scholar, head of investment at Interactive Investor.

The volatile cryptocurrency soared after Trump was elected as he was widely viewed as a strong supporter of the sector.

Bitcoin has fallen sharply in recent weeks as investors pull back from risky assets. It had reached a record high above $126,000 in October

He publicly celebrated bitcoin crossing $100,000 for the first time in December 2024.

However it suffered a sharp setback in April last year, falling below $75,000 after the president's announcement of sweeping US tariffs rattled global markets. It went on to reach a record-high of $126,251.31 six months later.

The latest downturn is driven largely by regulatory uncertainty.

While the US Congress passed a law in July to regulate stablecoins -- a form of cryptocurrency backed by traditional assets -- a broader crypto bill, the Clarity Act, has stalled in the Senate.

Bitcoin's has been hit also by Trump recently nominating former Federal Reserve governor Kevin Warsh to head of the US central bank.

Warsh, seen by observers as a defender of the Fed's independence, reassured traditional markets, prompting investors to sell safe-haven assets such as gold and silver, whose prices plunged.

Many investors rushed also to sell cryptocurrencies and other risky assets to help raise cash.

PHOTO: SOHRAB HOSSAIN

Bangladesh Wheat and Maize Research Institute tests salt- and heat-tolerant wheat in southern districts to help farmers offset the impact of salinity and shorter winters, boosting local production and reducing imports. The photo was taken in Amtali of Barguna yesterday.

Salinity, shorter winters hamper wheat cultivation in south

SOHRAB HOSSAIN

Wheat cultivation in the southern districts of Bangladesh remains handicapped by challenges such as high soil salinity, shorter winters and seed shortages, leaving vast stretches of farmland uncultivated during the dry season.

Several projects are underway in which the Department of Agricultural Extension (DAE) is working in collaboration with other government and non-government agencies, as well as foreign entities, to promote salt- and heat-tolerant wheat varieties in the region, aiming to reduce the country's dependence on imports.

However, these sporadic projects keep failing to leave a lasting impression as farmers in the region discontinue wheat farming, leaving the lands unused in winter and turning to crops that are less troublesome to cultivate and are also more profitable.

In Kalapara upazila's Nilganj union, farmer Zahidul Islam cultivated wheat on two bighas of land in 2022 and 2023 using relay cropping. The practice involves sowing two wheat crops in the same season -- the second crop is sown in the wet fields while the first, nearly mature crop, is yet to be harvested.

Under a project supported by the University of Western Australia, he and 10 other farmers in Daulatpur village received seeds, fertiliser and technical assistance.

However, after the project ended, he stopped wheat cultivation and shifted to Boro rice, leaving the fields fallow for nearly eight months.

The farmer said that salinity increases during the dry season, but regular irrigation for Boro rice keeps water in the fields, reducing salt levels.

"Boro is more profitable than wheat," he said, adding that aside from rice, no other crop grows well in the region.

Since 2017, the Bangladesh Wheat and Maize Research Institute (BWMRI) and Bangladesh Agricultural University have been conducting joint research to reduce wheat import dependence. The initiative was supported by the Australian Centre for International Agricultural Research, Bangladesh Agricultural Research Institute (BARI), Australia's Commonwealth Scientific and Industrial Research Organisation (CSIRO) and the University of Western Australia.

Since 2017, the Bangladesh Wheat and Maize Research Institute (BWMRI) and Bangladesh Agricultural University have been conducting joint research to reduce wheat import dependence

Under the project, 28 farmers in East and North Daulatpur villages of Kalapara cultivated wheat using relay cropping in 2022 and 2023. But most have stopped farming wheat following the project's completion.

Mrinmoy Guha Neogi, deputy project leader of the University of Western Australia, said more than 1,00,000 hectares of land in Patuakhali remain fallow during the dry season.

He added that salinity in the region rises to 10-12 decisiemens per metre during the dry season, making crop production difficult.

"We tried to bring these lands under wheat cultivation. We proposed implementing the programme through the government agriculture department, but it was not adopted," he said.

"Due to seed shortages and lack of continuation, farmers have moved away from wheat."

"We encouraged farmers to cultivate salt-tolerant wheat varieties," he said.

Despite challenges, the DAE continues to motivate farmers to cultivate wheat on a limited scale.

In total, wheat was cultivated on 154 hectares of land in Patuakhali, out of which 60 hectares are in Kalapara upazila alone, according to Upazila Agriculture Officer Md Arafat Hossain and Patuakhali DAE Deputy Director Md Aminul Islam.

In Dashmina Upazila's Gachani village, farmer Md Shaheen cultivated wheat on 25 decimals of land for the first time this year.

"On the advice of agriculture officials, I planted salt-tolerant wheat. Now I am waiting to see the results," he said.

But salt-tolerant varieties are not enough to solve the issue. Another predicament remains -- the country's short winter and rising temperatures.

"Wheat is a cool-weather crop. But in southern Bangladesh, winter is neither intense nor long enough, which affects production," Patuakhali DAE Deputy Director Md Aminul Islam said.

Barguna DAE Deputy Director Rathindra Nath Biswas echoed the view.

"Due to excessive heat, wheat grains often become shrivelled."

Over the past decade, wheat acreage has fallen, giving way to more profitable crops.

READ MORE ON B2

Leadership: Power over people

MAHTAB UDDIN AHMED

Once, leadership meant fixing problems. Today, it means fixing narratives. Roads can wait, facts are negotiable, and applause is a performance metric. The louder the speech, the stronger the leader. Listening is optional, empathy is overrated, and silence is sold as public support.

For decades, leadership literature taught a simple idea. Great leaders serve people, build trust, and strengthen institutions beyond themselves. Sustainable success is grounded in ethical leadership and a strong culture. Somewhere along the way, that lesson slipped out of fashion. The change is visible in politics and in corporate leadership.

Consider politics first. The United States and India, the world's two largest democratic countries, face growing questions about democratic practice. Power is strengthened less through consensus and more through polarisation. Narratives are rewritten, history is selectively remembered, and divisions are amplified to consolidate authority. These countries have produced leaders such as Abraham Lincoln, Barack Obama, Mahatma Gandhi, Jawaharlal Nehru, and Sardar Patel.

In contrast, Russia, China, and North Korea make no claim to leadership over people. Authority there is centralised and unquestioned. The troubling reality is the mix. Democratic leaders borrow autocratic tactics, while autocrats grow bolder. Smaller countries such as Venezuela, Ukraine, Iran, Greenland, and Bangladesh often respond to power politics rather than shape their own destiny.

The boundary between government politics and corporate politics is now thin. Tactics once confined to elections appear in boardrooms. Narrative control replaces transparency. Loyalty is valued more than competence. Opposition is managed rather than debated.

In many places, this is packaged as efficiency or national interest, but it often functions as a loyalty test. When disagreement is treated as disloyalty, teams stop sharing bad news early, risk goes up, and mediocrity becomes safer than truth.

Perhaps the most uncomfortable metaphor for modern leadership is the Epstein file. It was not only a criminal scandal but a mirror showing how power protects itself. The shock was not that wrongdoing existed, but that so many influential names circulated around the story without consequence. Proximity to influence offers insulation. Image on the surface, silence underneath, accountability negotiated rather than enforced.

Yet leaders do not emerge in isolation. They are chosen, endorsed, tolerated, and often celebrated by their own people. If divisive leaders keep winning, it suggests that fear, certainty, and spectacle are currently more attractive than patience, compromise, and empathy.

This shift is equally evident in business, particularly among technology companies that now rival nations in influence. In earlier decades, classrooms celebrated figures like Jack Welch and Jamsetji Tata. They were demanding and performance-driven, yet focused on trust, institution building, and leadership continuity. Tough, but human.

Today, the spotlight rests on Elon Musk, Jeff Bezos, and Mark Zuckerberg. Their achievements in innovation, speed, and scale are undeniable. Market valuations have soared. Yet empathy, psychological safety, and long-term people development have slipped down the priority list.

Musk exercises extraordinary influence through ownership, valuation growth, and cultural dominance, while settling for a trillion-dollar perks. Bezos built an efficiency machine so refined that humans must justify their existence within it. Zuckerberg once celebrated breaking things faster than competitors, but later learned that trust, once broken, does not recover as quickly as code. Data reinforces the concern. Gallup reports low global employee engagement. Edelman's Trust Barometer shows declining trust in political and business leaders, especially among younger generations. Performance indicators look healthy. Confidence does not.

For Bangladesh, this is not academic. Institutions are still forming, checks and balances remain fragile, and tolerance for strong personalities often exceeds patience for strong systems. Importing power-driven leadership without people-centred foundations risks long-term fragility disguised as strength.

The answer is not rejecting ambition or innovation. It is restoring balance. Leadership must treat trust, dignity, and empathy as strategic assets, not optional extras. Institutions must reward sustainability, not only dominance. And followers must stop mistaking power for leadership.

People's leadership has not disappeared. It has been sidelined. History suggests it returns when the cost of ignoring it becomes too expensive to justify.

The writer is the president of the Institute of Cost and Management Accountants of Bangladesh and founder of BuildCon Consultancies Ltd

Google's annual revenue tops $400b for first time

AFP, *San Francisco*

Google parent Alphabet on Wednesday reported blockbuster earnings, its revenue climbing as it invests massively in cloud computing services enhanced with artificial intelligence.

The tech giant said revenue jumped 18 percent year-on-year in the quarter, and overall annual revenue topped $400 billion for the first time at the company founded by Larry Page and Sergey Brin in 1998.

But Alphabet said it will nearly double its investments this year in the technology arms race gripping Silicon Valley. The company expects capital expenditures between $175 billion and $185 billion in 2026, double its 2025 spending, to meet customer demand for AI products.

Despite Alphabet relentlessly investing in computing infrastructure for AI, demand outstrips supply, according to chief executive Sundar Pichai.

"We've been supply constrained even as we've been ramping up our capacity," Pichai said on an earnings call.

Alphabet shares were down slightly more than one percent in after-market trades.

Google's Gemini AI continued to grow quickly, ending the year with 750 million monthly users in an increase of 100 million from the previous quarter.

"We expect Google to overtake OpenAI this year for the top spot in AI," said Emarketer analyst Nate Elliott.

Alphabet brought in $113.8 billion in the final three months of 2025, powered by its core search business and cloud computing, earnings figures showed.

Alphabet reported profit of $34.5 billion in the recently ended quarter as revenue from cloud computing soared 48 percent to $17.7 billion.

The rise and fall (and rise again) of gold prices – what's going on?

DAVID MCMILLAN

In late January, the gold price reached an all-time peak of around $5,500 (£4,025). January 30 saw one of the largest one-day falls in prices, which sank by nearly 10 percent after hitting a record high only the day before.

This was a dramatic about-turn, from a bullish gold market that rose by more than 300 percent in the last decade, over 150 percent in the last five years and (perhaps more pertinently) by 75 percent since US president Donald Trump's "liberation day" tariffs announcement. To make sense of it, we need to understand some of the factors that led to the rise.

The reasons broadly break down into two categories. The first concerns market uncertainty and gold in its "safe haven" role. As a financial asset, gold offers no income, unlike shares (which might provide dividends) or bonds (which offer coupon payments). So during good times, gold is eschewed for the former and during periods of high interest rates for the latter.

However, during periods of heightened risk and uncertainty, the tangibility of gold gives it value. This was seen during the financial (and subsequent sovereign debt) crisis and at the beginning of the Covid period. Here both share prices and interest rates were low (interest rates historically so) and gold became the favoured asset because it offered the chance of greater returns relative to risk.

These crisis periods can often be geopolitical in nature, and that is the case now with the war in Ukraine following the Russian invasion, as well as ongoing tensions in the Middle East.

But at the moment, what is providing a further boost to the gold price is the uncertainty created by Trump's tariffs. This is not only about international trade and growth but also its implications for the global financial system. The US dollar is used as a vehicle currency and means of payment for international trade and the currency in which commodities are priced.

A vendor assists clients browsing jewellery at a stand during the 22nd edition of the international gold and jewellery exhibition at the Kuwait International Fairgrounds in Kuwait City.

PHOTO: AFP/FILE

The use of tariffs in this way undermines confidence in the dollar, especially where tariffs are threatened as a punishment – as Trump recently did against European countries for opposing his desire to annex Greenland.

And further buoyed by the weak US dollar, which has fallen by 10 percent in the last year, there has been significant gold-buying, including by central banks as part of their reserves.

As an important aside, while a lot has been said about central banks replacing the US dollar as a reserve currency, overseas holdings of treasuries (US government bonds) are at a record high, countering that view.

The level of debt that countries are building up shows no sign of abating. For example, Trump's One Big Beautiful Bill Act, which outlines tax cuts and increases

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