



A farm worker inspects Katimon mangoes at an orchard in Porsha upazila, Naogaon. Using top-working grafting techniques, local farmers are converting traditional mango trees to cultivate Katimon and BARI-11 varieties that bear fruit multiple times a year. This cultivation method is rapidly spreading throughout the region. The mangoes, photographed on February 2, will ripen during Ramadan and fetch premium prices.

PHOTO: MOSTAFA SHABU

## Gold rises over 2%

REUTERS

Gold prices rose more than 2 percent on Friday and were headed for a weekly gain as weaker-than-expected US inflation data reignited hopes for Federal Reserve rate cuts this year, offsetting concerns from stronger-than-expected jobs data earlier in the week.

Spot gold was up 2.1 percent at \$5,022.06 per ounce as of 01:30 p.m. ET (1830 GMT), and up 1.2 percent so far this week. Bullion fell about 3 percent on Thursday, hitting its lowest in nearly a week.

US gold futures for April delivery settled about 2 percent higher at \$5,046.30 per ounce.

"Gold, and particularly silver, is enjoying a relief rally after a mild January CPI reading eased nerves stoked by Wednesday's strong employment report," said Tai Wong, an independent metals trader.

### CPI COMES IN LOWER THAN EXPECTED

Spot silver climbed 3.4 percent to \$77.70 per ounce, snapping back from an 11 percent decline in the previous session. It was on track for a weekly loss of 0.3 percent. The US Consumer Price Index rose 0.2 percent in January, below economists' expectations of a 0.3 percent increase, following an unrevised 0.3 percent gain in December, the Labor Department said.

Market participants currently anticipate a total of 63 basis points in rate cuts this year, with the first expected in July, according to data compiled by LSEG.

Non-yielding bullion tends to do well in low-interest-rate environments. Meanwhile, data on Wednesday showed the United States added 130,000 jobs in January, compared with analysts' estimates of 70,000.

China's gold demand stayed strong ahead of the Lunar New Year, while in India, the market flipped to a discount.

# Overdue farm loans surge

STAR BUSINESS REPORT

Agricultural credit disbursement increased strongly in the early months of fiscal year (FY) 2025-26, but a sharp rise in overdue loans raised concerns over credit recovery. Data from the Bangladesh Bank (BB) showed that at the end of November 2025, overdues of agricultural credit given by banks surged 91.12 percent year-on-year to Tk 22,297 crore from Tk 11,667 crore a year earlier, owing to a rise in overdues of state-owned specialised banks and private banks.

The loan classification criteria that became effective from April 2025 also contributed to this significant rise in overdues, according to BB's latest monthly report on agriculture and rural finance published last week.

During this period, the overdue balance of state commercial banks declined, but the drop was not significant enough to offset the overall increase.

"The rise in overdue loans signals growing concerns over credit recovery and the requirement for stronger oversight and risk management to address credit recovery challenges in the sector," said the report.

Agricultural credit recovery by all banks grew 2.13 percent year-on-year to Tk 3,826 crore in November 2025 from a year earlier. The recovery increased by 11 percent from October, the BB said.

At the end of November, the total outstanding balance, including interest, of agricultural credit for all banks stood at Tk 60,718 crore, reflecting a 10.78 percent increase from a year ago.

In terms of disbursement, all scheduled banks lent 23 percent more loans, amounting to Tk 16,092 crore during July-November of the fiscal year (FY) 2025-26, up from Tk 13,081 crore during the same period a year ago.

The significant rise was primarily driven by higher disbursements of

foreign banks and state commercial banks, while specialised banks recorded lower disbursements, according to the report.

During July-November of FY26, the composition of agricultural credit disbursement shifted modestly toward crops, livestock and poultry. In contrast, the share allocated to fisheries and other sectors declined.

"The shift of agricultural credit toward crops, livestock and poultry indicates a stronger focus on core agricultural production."

"Overall, the data reflects a gradual reorientation of agricultural credit toward core production activities from social welfare, suggesting limited progress in expanding targeted financing for vulnerable groups," it added.

For the current FY26, the BB had earlier set a target to disburse Tk 39,000 crore in loans by banks, which is 4.48 percent higher than the actual disbursement of the previous year.

## Rebuilding business confidence cannot wait

FROM PAGE B1

He said prolonged uncertainty has seriously dampened investment.

Without swift and decisive steps to ensure stability and policy clarity, private sector expansion will remain stalled, he said.

The business leader placed law and order at the top of the agenda. "The government must bring an end to the extortion and muscle culture," he added.

Parvez said confidence had fallen to rock bottom, with investors choosing to sit on the sidelines. A free, fair and credible election would now reassure both domestic and foreign investors.

He argued that monetary policy alone cannot tame price pressures and called for stronger supply-side management to steady markets. Energy security, he added, is equally vital.

He also pressed for implementation of reform pledges, including changes at the National Board of Revenue (NBR), greater transparency in trade agreements and preparation for LDC graduation. Similarly, Kamran T Rahman, president of the Metropolitan Chamber of Commerce and Industry (MCCI), called for early action.

"Reform must begin at once, even if results take time, starting with efforts to curb inflation and steady the currency through prudent fiscal and monetary management," said the business leader.

Rahman urged the government to tackle weaknesses in the banking sector, reinforce financial discipline and strengthen oversight. He called for employment-led growth, with greater support for SMEs, skills development and productivity gains rather than a narrow focus on GDP figures.

Cutting red tape and ensuring policy continuity would also help rebuild trust, he said. Asif Ibrahim, former president of the Dhaka Chamber of Commerce and Industry (DCCI), described the election outcome as an opportunity to reset the economic agenda.

"This decisive mandate reflects the voice of the people and opens a new chapter for economic stability," he said in a statement.

"For the past few years, investment appetite has been subdued due to uncertainty. A stable and policy-driven administration can unlock fresh



capital flows and revive private sector expansion," he said.

He said the business community stands ready to engage and urged the incoming government to reduce the cost of doing business, secure energy supply, maintain macroeconomic stability and strengthen institutions.

"Global headwinds and domestic challenges require partnership over politics," he added.

Taskeen Ahmed, president of the DCCI, also called for a focused reform drive in the first 100 days.

He said the economy faces structural challenges, including weaknesses in the banking system, energy shortages and fragile law and order.

"In the first 100 days, restoring law and order must be the top priority to rebuild business confidence," he said, adding that investment will remain stagnant without a predictable environment.

Manwar Hossain, chairman of Anwar Group of Industries, said the new government should first reassure existing investors before seeking new ones. Many import-dependent firms face working capital strain after taka

depreciation.

He proposed temporary regulatory flexibility, including relaxed single-borrower and CIB limits for two years, to prevent otherwise viable firms from collapsing. Reform of 15 troubled banks and non-bank financial institutions, led by credible asset restructuring firms and experienced bankers, is essential, he said.

Hossain also called for swift local government polls, revival of stalled projects, faster construction activity, dependable energy supply and shorter approval times to sustain positive international sentiment.

Ahsan Khan Chowdhury, chairman and chief executive officer of Pran-RFL Group, urged the next government to restore stability, strengthen law enforcement and bring discipline back to the banking system within its first 100 days. He said rebuilding investor trust is critical to driving economic growth.

Chowdhury also stressed the importance of smooth operations at Chittagong Port to support exports and imports, and called for stronger trade ties with neighbouring countries, particularly India, to expand business opportunities.

## Garment exports

FROM PAGE B1

12.05 percent in value and 11.50 percent in unit prices, signalling potential headwinds.

The EU's total apparel imports grew 2.10 percent year-on-year to €90 billion in 2025, propelled by a 13.78 percent increase in volume as average unit prices fell 10.27 percent across all suppliers.

China reinforced its dominance with €26.58 billion in year-on-year exports to the EU, up 1.17 percent.

The East Asian country achieved an 11.64 percent volume increase with a 9.38 percent decline in unit prices amid US market uncertainties.

Vietnam recorded 9.66 percent growth, reaching €4.38 billion, with a 4.51 percent increase in unit prices. India, Pakistan, and Cambodia also posted gains.

Turkey bucked the trend with a 10.73 percent year-on-year drop to €8.34 billion, making it the only major supplier to experience declining exports to the European market during the period.

## Cool prices, create new jobs

FROM PAGE B1

So, the new government should pay attention to this problem," said Fahmida Khatun, executive director of the Centre for Policy Dialogue (CPD).

Overall inflation rose to 8.58 percent in January, with the 12-month average at 8.66 percent, remaining elevated for more than three years, according to the Bangladesh Bureau of Statistics (BBS).

Private-sector businesses are also feeling the pinch as rising costs undermine profitability.

Fahmida called for coordinated monetary and fiscal policies, prioritising supply-side issues. Another key task, she said, for the next government is to improve the investment climate.

The economist said that while reforming the business environment is a long-term process, measures such as establishing effective one-stop services for entrepreneurs and reducing bureaucratic red tape could deliver results quickly.

She said the third agenda of the incoming government should be creating fiscal space.

Implementing the interim government's recommendations, including pay scale adjustments, will require a huge expenditure. With the country's debt burden rising, increasing revenue must be a priority. Reform efforts across sectors, especially in taxation and banking,

should continue, said Fahmida.

"Improving the environment and building trust are essential to raising private investment," said AK Enamul Haque, director general of the Bangladesh Institute of Development Studies (BIDS).

He urged the incoming government to continue economic reforms initiated by the interim administration and implement key promises from the BNP's election manifesto.

Haque said controlling corruption and extortion must also remain a priority.

Private investment accounted for just 22.48 percent of GDP in 2024-25, the lowest in five years and well short of the 28.2 percent target set under the Eighth Five-Year Plan, according to the government's statistical agency.

Restoring law and order will be crucial to encourage investment, said Prof Mohammed Helal Uddin, member secretary of the Bangladesh Economic Association.

"The government must stop mobocracy and tackle extortion seriously so that people can invest without fear," he added.

He also called for policy clarity, enabling entrepreneurs to anticipate which policies will continue and which will change.

When making administrative replacements, experience, knowledge and intent should take precedence over political ideology, said Prof Helal.

## USDA raises Bangladesh's

FROM PAGE B1

Last month, the food ministry's Food Planning and Monitoring Unit (FPMU), in its quarterly Food Situation Report, also projected wheat imports could reach 72 lakh tonnes in the fiscal year 2025-26.

In the first half of the current fiscal year, the private sector imported 32.5 lakh tonnes of wheat, up 31 percent from the same period a year earlier, while public sector imports declined.

"There has been a substantial volume of imports, especially in December, as traders expected

stability after the general election held on February 12 and a rise in demand for wheat-based food," said Md Shafiqul Ather Taslim, business director at TK Group of Industries, another major commodity processor.

He added that annual wheat imports usually range between 65 lakh tonnes and 70 lakh tonnes and are likely to remain within that range this year.

Including private sector purchases, Bangladesh imported 61.44 lakh tonnes of wheat in the fiscal year 2024-25, according to the FPMU report.

# LafargeHolcim unveils salinity-resistant cement for coastal areas

STAR BUSINESS DESK

LafargeHolcim Bangladesh PLC (LHB) has launched a new salinity- and sulphate-resistant cement, branded "Holcim Coastal Guard", aiming to capture the 30-lakh-tonne market in the country's south-western and south-eastern coastal regions.

The cement is designed to address the growing environmental challenges in coastal areas, where structures are often exposed to saline and sulphate-rich conditions, according to a press statement issued recently.

The product has been developed through the company's in-house innovation and manufacturing capabilities in collaboration with the Innovation Center of Holcim Group in Lyon, France, leveraging the group's Smart Blend Technology.

Bangladesh's annual cement demand stands at around 4 crore tonnes, of which LafargeHolcim Bangladesh supplies approximately 42 lakh tonnes, said Thuhidul Islam, head of communications, CSR and sustainability at LHB, quoting the company's technical experts.

"We have launched 'Holcim Coastal Guard', targeting an annual demand of three million tonnes across the coastal districts -- Khulna, Satkhira, Bagherhat, Patuakhali, Barguna, Barishal, Jhalakathi, Pirojpur, Chandpur, Bhola, Noakhali, Feni, Lakshimpur, Cox's Bazar and Chattogram," he said.

Chemical factories, government sanitation projects, and effluent and sewage treatment plants (ETPs and STPs) also have demand for this type of cement, he added.

He claimed that LHB is the first in Bangladesh to receive approval and introduce cement in this category.

Holcim Coastal Guard is engineered to combat the rapid deterioration of structures exposed to sulphate- and chloride-rich soils, coastal groundwater and chemical attacks in water and effluent treatment plants, ensuring longer-lasting and more resilient construction.

## US and Taiwan sign deal to lower tariffs

AFP, Washington

The United States and Taiwan said Thursday they signed a deal to confirm lower US tariffs on the democratic island's goods, alongside Taiwanese spending commitments on American products.

The announcement formalizes an agreement unveiled in January to cut US tariffs on many Taiwanese exports from 20 percent to 15 percent, and boost investment in the US tech industry.

Thursday's trade pact, which needs to be reviewed by Taiwan's opposition-controlled parliament, "will eliminate tariff and non-tariff barriers facing US exports to Taiwan," said US Trade Representative Jamieson Greer.

"This agreement also builds on our longstanding economic and trade relationship with Taiwan and will significantly enhance the resilience of our supply chains, particularly in high-technology sectors," he added in a statement.