

Star BUSINESS



Economy logs slowest growth in three years

Economists urge stability to restore momentum

MD ASADUZ ZAMAN

Bangladesh's economy grew 3.49 percent in the fiscal year 2024-25 (FY25), the slowest expansion in at least three years, owing to weaker performances in the agriculture and services sectors.

The growth is lower than the provisional estimate of 3.97 percent made previously by Bangladesh Bureau of Statistics (BBS), which released the finalised data on gross domestic product (GDP) yesterday.

In FY24, the economy grew 4.22 percent, said the national statistical office.

The data shows that only the industrial sector posted faster growth in FY25 than in the prior year.

Between July 2024 and June 2025, the country's factory output rose 3.71 percent, up 0.20 percentage points from FY24.

Agriculture, the second-largest employing sector, grew just 2.42 percent, down from 3.30 percent a year earlier.

Services, the biggest contributor to GDP, expanded 4.35 percent, easing from 5.09 percent in FY24.

The size of the economy reached \$456 billion, up from \$450 billion a year earlier. Per capita income edged up to \$2,769 from \$2,738.

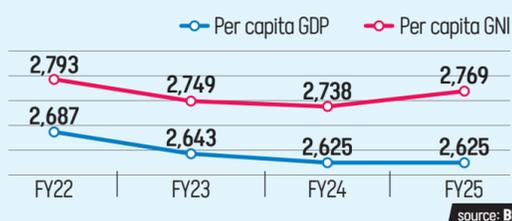
Sluggish growth is expected to continue into the current fiscal year. The International Monetary Fund projects 4.7 percent expansion in FY26, the World Bank 4.6 percent, and the Asian Development Bank (ADB) 4.7 percent – all below Bangladesh's pre-pandemic trend.

The ADB trimmed its projection from 5 percent in September, citing weak investment ahead of the general election and slower export growth.

Economists said the FY25 slowdown is owed to a combination of deep-rooted internal weaknesses and persistent external shocks.

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Per capita GDP and Gross National Income in Bangladesh (In \$)



Economic risk rises despite political clarity

Oxford Economics says smooth polls offer short-term confidence, but macro instability, weak exports, and high inflation continue to threaten growth prospects

STAR BUSINESS REPORT

The overall economic risk of Bangladesh has increased by 0.4 points since August last year to 7.1, even as political clarity returns following the national election this month, according to Oxford Economics.

With the latest score above the Asia-Pacific average of 5.1, the country now ranks 141st out of 164 economies on its global risk index.

The report says that while the smooth election process has helped reduce political uncertainty and should support confidence in the near term, macroeconomic stability has weakened in recent years, and growth is expected to improve only gradually.

Oxford Economics, a leading global independent economic advisory firm, measures risk on a scale of 1 to 10, with 10 indicating the highest level of vulnerability.

It says trade credit risk remains the most significant vulnerability of Bangladesh, receiving the maximum score of 10, reflecting high non-performing loans (NPLs), especially in state-owned banks, alongside governance weaknesses and limited credit information.

Market costs are also elevated, driven by high interest rates and financing constraints, while demand conditions, sovereign creditworthiness and exchange rate pressures continue to weigh on the overall risk profile.

Although the exchange rate regime has moved towards greater flexibility, the taka continues to be managed within a relatively narrow band through intervention. Further reforms are expected under the International Monetary Fund (IMF) programme.

The report, titled "Political Clarity Returns but Transition Risks Linger", says that the decisive electoral victory of the Bangladesh Nationalist Party (BNP) has restored a degree of political clarity.

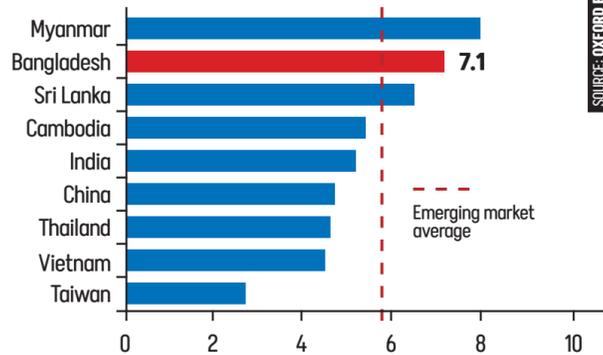
However, it notes that macroeconomic stability remains fragile and the recovery path uneven.

According to the report, the new government faces several immediate challenges, such as rebuilding investor confidence, strengthening revenue mobilisation, navigating the post-LDC trade transition and maintaining stability under restrictive monetary conditions.

Moreover, Bangladesh's debt remains in speculative grade territory, while climate vulnerability continues to pose

ECONOMIC RISK SCORE

Risk scores are from 1 to 10, with 10 representing the highest risk



Bangladesh's economic risk index

(Risk scores from 1 to 10, with 10 representing highest risk)

	Feb '26	Rank out of 164 countries (1=best)
Overall	7.1	141
Market demand	7	119
Market cost	8	135
Exchange rate	5	124
Sovereign credit	5.3	127
Trade credit	10	130

long-term fiscal risks.

Political uncertainty may have eased, but structural weaknesses and reform risks continue to shape the outlook.

GROWTH OUTLOOK SOFTENS

Reflecting weaker trade performance and persistent inflation, Oxford Economics has downgraded its GDP growth forecast for Bangladesh for FY 2025-26 to 4.5 percent from 4.7 percent earlier.

Growth is projected to recover to 5.7 percent in FY 2026-27, although this would still be modest by Bangladesh's historical standards, where annual growth has averaged about 5.8 percent since the mid-1990s.

The economy expanded by 4 percent in FY 2024-25, marking its weakest performance in decades outside the

pandemic period, amid political unrest, floods and subdued external demand.

The report says inflation continues to weigh on the economic recovery of Bangladesh.

After easing briefly, price pressures have intensified again. In January, inflation rose to 8.6 percent year-on-year, up from 8.2 percent in October and still above the 7 percent level the Bangladesh Bank has set as a condition for policy easing.

The central bank has kept the policy rate unchanged at a restrictive 10 percent in an effort to curb inflation and rebuild foreign exchange buffers.

Wage growth, at around 8 percent, remains below inflation, eroding real purchasing power and limiting consumer demand.

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Filing of tax returns to close on March 31

STAR BUSINESS REPORT

The National Board of Revenue (NBR) has extended the deadline for individual taxpayers to file their income tax returns by another month, setting March 31 as the new cut-off date.

The tax administration issued a notification in this regard yesterday, marking the fourth extension of the deadline in "public interest".

Earlier, the NBR had pushed the submission date to February 28, following a previous extension to January 31. The original deadline for filing returns was November 30.

In addition, the tax administration has extended the deadline for submitting paper-based income tax returns to March 15, from the earlier cut-off date of February 28.

The revenue authority is considering a year-round return submission system divided into three categories, said a top official.

Under the proposal, early filers would get incentives, on-time filers would pay the regular rate, and late filers would face graded penalties.

This year, online filing was made mandatory for almost all individual taxpayers, whereas earlier it applied only to specific groups.

Bangladesh repays more foreign loans than it receives

Govt's bank borrowing rises nearly fivefold year-on-year

STAR BUSINESS REPORT

Bangladesh's foreign debt servicing crossed the amount of loans it received from international lenders in the first seven months of the ongoing fiscal year (FY) 2025-26 amid the slow pace of foreign-funded projects executed under the Annual Development Programme (ADP).

The country repaid \$2.67 billion in the first seven months of the current fiscal year, according to data released by the Economic Relations Division (ERD) of the finance ministry.

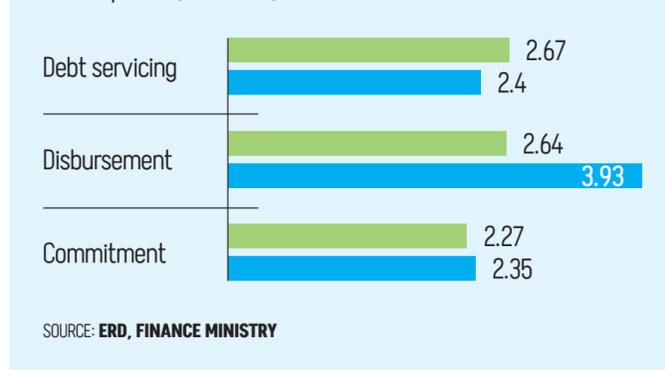
Meanwhile, foreign loan disbursement dipped 33 percent year on year to \$2.4 billion during July-January of this fiscal year, which an economist said is a warning sign.

"The fact that debt servicing has exceeded fresh foreign loan inflows is a warning sign," said Ashikur Rahman, principal economist at the Policy Research Institute (PRI) of Bangladesh.

"It indicates that Bangladesh is now transferring more resources outward than it is receiving, which tightens both fiscal and external liquidity conditions," he said.

"This reflects not only maturing debt obligations but also weak project implementation, slower disbursements, and limited export dynamism. While it is not yet a crisis, it reduces policy space and highlights the urgency of strengthening revenue mobilisation,

TREND OF FOREIGN LOANS Jul-Jan period (In billion \$)



export competitiveness, and a prudent external borrowing strategy."

Data by the Implementation Monitoring and Evaluation Division under the Ministry of Planning showed that in the July-January period of this fiscal year, the implementation of foreign-funded ADP was 36 percent, marginally higher than in the same period a year ago.

During this period, commitment by foreign lenders, namely the World Bank

and the Asian Development Bank, as well as Russia, China, Japan, and India, declined 3 percent year on year to \$2.27 billion.

The decline in both commitment and disbursement against a spike in the repayment of foreign loans comes at a time when revenue collection has continued to fall short of the target, and government borrowing from the banking system has risen.

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Aromatic rice export deadline extended to April 30

STAR BUSINESS REPORT

The government has extended the deadline for exporting aromatic rice until April 30, allowing 21 companies additional time to complete their shipments, as the previous export window expired on November 30, 2025.

A commerce ministry circular regarding the extension was issued yesterday, which also noted that the minimum export price has been set at \$1.60 per kilogramme. At an exchange rate of Tk 123 per dollar, this translates to approximately Tk 196.8 per kg.

Nargis Murshida, joint secretary (Export-1) of the ministry's Export Wing, said the extension was granted following requests from exporters who failed to ship their allocated quantities within the previous deadline.

"This is a continuation of the approval given in June last year," she said.

On May 28, 2025, the ministry permitted 52 companies to export 5,800 tonnes of aromatic rice. Before that, on April 8, 2025, it approved 18,150 tonnes for 133 companies. In total, export approvals in two phases amounted to 23,950 tonnes.

Bangladesh began exporting aromatic rice in the fiscal year 2009-10. Exports were halted in 2022 amid domestic supply concerns. Previously, in October 2013, shipments were also suspended due to sharp price hikes in the local market.

Eastern Bank PLC.

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BD Thai Food factory robbed for third time

STAR BUSINESS REPORT

BD Thai Food & Beverage, a company listed with the Dhaka Stock Exchange (DSE), reported that its factory was robbed recently for the third time in just over a year, with masked intruders making off with machinery and cash worth an estimated Tk 1.5 crore.

The DSE published a disclosure yesterday after the company submitted a letter detailing the latest incident, which occurred around 2:00am on February 10, 2026.

According to the letter, 30 to 40 unidentified masked robbers entered the company's factory premises in Dhamrai, tied up and assaulted six to seven on-duty security guards, and looted various important machinery and materials from the factory before fleeing.

The company reported that the robbers stripped a 1,400 KVA substation of all its internal components, rendering it non-functional. They also stole ten high-capacity power motors, power cables from three generators, batteries, copper bars, ACB breakers, computers, four mobile phones from the guards, and Tk 1.5 lakh in cash.

In addition, glass panels were vandalised, cabinets and lockers broken open, and a private car damaged.

Speaking to The Daily Star yesterday, Rubina Hamid, chairman of BD Thai Food and sister of former health and family welfare minister Zahid Maleque, said the robbers hauled away the machinery using two trucks.

She added that on Tuesday, individuals were also spotted cutting and removing soil from the site

READ MORE ON B3

Neural Semiconductor signs MoUs to strengthen research ecosystem

STAR BUSINESS DESK

Neural Semiconductor Limited, the sole sponsor of the Center of Research Excellence in Semiconductor Technology (CREST), recently signed memoranda of understanding (MoUs) with the Bangladesh Council of Scientific and Industrial Research and the Bangladesh Atomic Energy Commission to strengthen the country's semiconductor research ecosystem.

The agreements establish a structured national framework allowing CREST-approved projects to access advanced scientific infrastructure, including thin-film deposition systems, cleanroom facilities, photolithography tools, device processing lines, and precision characterisation and metrology laboratories.

As CREST's principal sponsor,

Neural Semiconductor Limited will provide financial and strategic support for research fellowships, approved experiments, and ecosystem coordination.

However, facility operations, regulatory oversight and access decisions will remain under the full authority of BCSIR and BAEC, according to a press release.

The initiative reflects the company's long-term commitment to developing Bangladesh's deep-technology capabilities by aligning national infrastructure with structured research programmes, human capital development and industry-focused innovation.

"Bangladesh already possesses valuable scientific infrastructure," said MA Jabbar, managing director of Neural Semiconductor Limited.



MA Jabbar, managing director of Neural Semiconductor Limited, poses for a group photograph after signing memoranda of understanding (MoUs) with the Bangladesh Council of Scientific and Industrial Research and the Bangladesh Atomic Energy Commission in Dhaka recently.

PHOTO: NEURAL SEMICONDUCTOR

United Commercial Bank opens 234th branch in Daganbhuiyan



Mohammad Mamdudur Rashid, managing director and chief executive officer of United Commercial Bank PLC, inaugurates the bank's new branch in Daganbhuiyan, Feni recently.

PHOTO: UCB

STAR BUSINESS DESK

United Commercial Bank PLC (UCB) recently launched a new branch at Rahman & Brothers, Faziler Ghat, in Daganbhuiyan, Feni, aiming to deliver modern, fast and reliable banking services to local customers.

With this addition, the bank's branch network has expanded to 234 outlets, according to a press release.

Mohammad Mamdudur Rashid, managing director and chief executive officer of United Commercial Bank PLC, inaugurated the branch as the chief guest.

He noted that a significant portion of the country's population still remains outside the formal banking system.

"The bank is working gradually to bring this segment under the umbrella of banking services," he said, adding that expanding digital services to accelerate financial inclusion remains one of UCB's key priorities.

The branch formally commenced operations in a festive atmosphere, attended by local business leaders, clients and senior officials of the bank.

Through the new branch, individuals and businesses in the area will gain easier access to deposit and loan facilities, remittance services, digital banking solutions and other modern financial services.

UCB said the expansion reflects its continued commitment to strengthening financial inclusion and supporting economic activities at the grassroots level.

Pubali Bank holds 200th risk committee meeting

STAR BUSINESS DESK

Pubali Bank PLC recently organised its 200th meeting of the Executive Risk Management Committee.

Mohammad Ali, managing director and chief executive officer (CEO) of Pubali Bank PLC, inaugurated the meeting, which was held virtually, according to a press release. In his opening speech, Ali emphasised the utmost importance of risk identification and mitigation.

He also stressed the independence of

the Risk Management Division and ICC in fostering a strong risk and compliance culture, essential for the bank's sustainable growth.

Md Monjurul Islam Mojumder, chairman of the Executive Risk Management Committee, general manager and chief risk officer of the bank, presided over the meeting.

Deputy managing directors and other committee members thoroughly discussed various risk statuses and their resolutions.



Mohammad Ali, managing director and chief executive officer of Pubali Bank PLC, inaugurates the bank's 200th meeting of the Executive Risk Management Committee virtually.

PHOTO: PUBALI BANK

NRBC Bank rolls out Ramadan campaign to boost remittance inflow

STAR BUSINESS DESK

NRBC Bank PLC yesterday launched a campaign, titled "Special Remittance Service Month", during the holy month of Ramadan to encourage expatriates to send funds through formal banking channels and further strengthen its remittance services.

As part of the campaign, the bank is offering special gifts to remittance beneficiaries until Eid to share the festive joy with expatriates' families, according to a press release.

Md Touhidul Alam Khan, managing director and chief executive officer of NRBC Bank PLC, inaugurated the campaign as the chief guest.

Speaking at the event, he said that, as a remittance-focused bank, NRBC has always accorded the highest priority to expatriate income services.

"The board of directors and management consider the remittance sector one of the bank's key strategic service areas," he said.

"These special gifts are a small gesture to share the joy of Eid with expatriates' families."

The bank reiterated its commitment to delivering remittances quickly, securely and conveniently through its nationwide network of branches and sub-branches.

To enhance service quality, dedicated 'Remittance Service Desks' have already been introduced at all outlets.

The gift distribution programme will continue throughout Ramadan as part of the bank's broader effort to promote formal remittance inflows and strengthen customer engagement.

Muhammad Abdul Qaium Khan, deputy managing director of the bank; Faisal Ahmed, chief human resources officer; Serajul Amin Ahmed, chief risk officer; Hasnat Reza Mohibbul Alam, head of international division; and Rasedul Islam, chief financial officer, were also present, along with other senior officials of the bank.



Md Touhidul Alam Khan, managing director and chief executive officer of NRBC Bank PLC, inaugurates the campaign, titled "Special Remittance Service Month", yesterday at the bank's head office in Dhaka.

PHOTO: NRBC BANK

Where AI lives: Southeast Asia's data centre boom

FROM PAGE B4

AI AT WORK

At the Indonesian data centre, racks of metal-cased servers in tall white cabinets were busy answering AI queries for local users – an intensive, heat-generating process.

A "closed-loop" water cooling system, which works a bit like a car radiator and does not require regular refills, prevents them from malfunctioning.

Higher performance chips "require a lot more intensity", Noelle Walsh, head of the company's cloud operations, told AFP.

"We've had to adapt our data centres' designs to accommodate

different power structures and different cooling mechanisms."

Super-connected Singapore was long Southeast Asia's data centre hotspot, but the city state halted developments between 2019 and 2022 over energy, water and land use worries.

That, along with an explosion of AI interest after ChatGPT's debut, brought a surge of data centres to neighbouring Malaysia, and increasingly Thailand, Indonesia, the Philippines and Vietnam.

"The boom is there," with companies racing for "first-player advantage", said Trung Ghi of the consulting firm Arthur D. Little.

Hosting data centres is a "win-win situation" for governments, he said, noting it boosts business efficiency with faster online tools and grows local economies as people come to work at new tech parks.

HYPERSCALE

The data centre expansion will increase demand on power grids that are still heavily coal dependent.

Power consumption by data centres in Indonesia – where coal generates nearly 70 percent of electricity – will likely quadruple by 2030, according to energy think tank Ember.

Microsoft's Jakarta facilities, spread out to mitigate risks from earthquakes and floods, are part

of a \$1.7 billion investment with a potential "hyperscale" capacity that would need hundreds of megawatts of electricity.

The company says it works to "green" local grids by incentivising energy transition plans.

"We don't build power plants, but we work with utility providers," Microsoft's Walsh said.

"In some parts of the world it is wind power, in other parts of the world it is solar, we also use hydropower, and in some countries it's nuclear. So we support all of those."

Microsoft recently signed a deal with Indonesia's state-owned electricity provider to raise the

nation's renewable energy capacity by around 200 megawatts over a decade.

SINKING CITY

Microsoft's rivals Amazon and Google, as well as Chinese tech giants Alibaba and Tencent, also run data centres in the Jakarta region.

The metropolitan area of 42 million is sinking, partly due to groundwater extraction. Officials plan to eventually relocate the capital.

The data centre boom "will put even greater strain on the region's water resources, which have historically been overexploited and badly managed," said scientist Olivia Jensen from the National University of Singapore.

Microsoft projects water consumption will grow until 2028 before stabilising at 660 million litres the year after as the company adds more closed-loop systems.

"We're evolving fast, and what we're building now will consume zero water on a daily basis," Walsh said.

As AI technology develops apace, the company has swathes of land reserved on its Jakarta site for future builds.

But next-generation systems will likely require more computing power, Ghi warned.

"If these things get larger and larger and more thirsty, then something has to give," Ghi said.

Emirates to boost Bangladesh, India cargo operations

STAR BUSINESS DESK

Emirates SkyCargo, the cargo arm of Emirates, is expanding its South Asia operations to meet rising demand in Bangladesh and India.

From April 2026, the airline will launch a dedicated weekly freighter service to Dhaka, enhancing connectivity between Bangladesh and global markets via Dubai.

The service aims to provide exporters with reliable, scheduled cargo capacity, faster transit times, and improved supply chain resilience, according to a press release.

As one of the world's leading garment-exporting nations, Bangladesh is expected to benefit significantly from the additional uplift.

In India, Emirates SkyCargo will add two more weekly freighter services from March – one to Mumbai and another to Ahmedabad – raising total regional cargo capacity to an average of 3,000 tonnes per week.

Currently, the airline operates three weekly freighters to India, supplemented by bellyhold cargo capacity on 167 passenger flights per week across nine Indian gateways.



Beyond air cargo, Emirates has developed an extensive trucking network connecting offline destinations across India. In 2025, more than 1,000 SkyCargo trucks transported nearly 5,500 tonnes of cargo nationwide.

The airline's continued investment in freighter aircraft, road feeder services, and specialised solutions, including temperature-controlled logistics, underscores its strategy to support fast-growing South Asian markets.

Currently, Emirates operates 21 weekly wide-body passenger flights with bellyhold cargo capacity to and from Dhaka, providing seamless connectivity to over 140 global destinations through its Dubai hub.

Oil steadies

REUTERS, London

Oil prices inched up on Thursday as investors assessed whether US-Iran talks could avert a military conflict that risks supply disruptions, though gains were capped by a build in US crude inventories.

Brent futures were trading at \$71.02 per barrel, up 17 cents, or 0.24 percent, by 0847 GMT. WTI futures rose 12 cents, or 0.2 percent, to \$65.54 per barrel.

Brent rose on Monday to its highest since July 31 as Washington positioned military forces in the Middle East to press Iran to negotiate an end to its nuclear and ballistic missile programme.

"Investors are focusing on whether military conflict will be averted in the US-Iran negotiations," said Toshitaka Tazawa, an analyst at Fujitomi Securities.

Nvidia smashes forecasts

FROM PAGE B4

For the full fiscal year ending January 25, 2026, Nvidia reported revenue of \$215.9 billion, up 65 percent from the previous year, with data center revenue reaching \$193.7 billion – a 68 percent annual gain. Perhaps more significant for investors was Nvidia's guidance for the current quarter.

The company said it is not assuming any data center computing revenue from China in its outlook, an acknowledgement of the ongoing impact of US export controls on its ability to sell advanced chips to the world's second-largest economy.

Even if the US government has greenlit exports of "small amounts" of lower-powered chips to China, "we have yet to generate any revenue, and we do not know whether any imports will be allowed into China," Nvidia CFO Colette Kress told analysts.

The company forecast the current quarter's revenue at \$78 billion, plus or minus two percent – comfortably above the roughly \$72 billion Wall Street had been expecting, and a figure that analysts said would go a long way toward silencing doubts about the durability of AI infrastructure spending.

US tariffs hit

FROM PAGE B4

market economies, before extending its reach to the Middle East, North Africa and parts of sub-Saharan Africa.

"The impact of the US tariffs for our countries of operation has been limited, much lower than anticipated," Javorcik said.

In its latest report released on Thursday, the EBRD forecast growth to accelerate to 3.6 percent this year and rise further to 3.7 percent in 2027.

"There are some countries that

potentially could gain to see lower tariffs, like Serbia, Bosnia and Herzegovina, Moldova or Tunisia, but overall the picture is unchanged," Javorcik said.

She cautioned that "we have not felt the full impact of tariffs yet," as a large share of 2025 exports reached US markets before the measures took effect. The EBRD also said that the artificial intelligence boom has boosted US imports of technology-related goods, including semiconductors.

North Bengal Sugar Mills shuts early amid cane shortage

AHMED HUMAYUN KABIR TOPU

The sugarcane crushing operations for the 2025-26 season at the state-owned North Bengal Sugar Mills in Lalpur, Natore, ended on Tuesday – two weeks ahead of schedule – due to a shortage of sugarcane.

“We could not secure enough sugarcane supply, so we had to stop operations and close the mill,” said Md Ashab Uddin, general manager (agriculture) of the mill.

According to mill sources, the target for the season was to collect 200,000 tonnes of sugarcane from 18,000 acres of land and crush it over 122 days – from November 10, 2025, to March 12, 2026 – to produce 13,000 tonnes of sugar.

However, the mill collected around 172,000 tonnes of sugarcane and produced about 9,600 tonnes of sugar this season, down from 195,981 tonnes of sugarcane crushed in 2024-25 – a decline of nearly 24,000 tonnes compared with the previous season.

The mill authorities said the decline in production was mainly due to lower-than-targeted cultivation and supply shortages, as large quantities of sugarcane were diverted to other mills and molasses producers.

“Cultivation did not meet expectations, even though farmers were given incentives



North Bengal Sugar Mills in Lalpur, Natore ended its 2025-26 season early as cane cultivation fell short and supplies were diverted to other mills and molasses producers.

PHOTO: COLLECTED

to grow sugarcane,” Ashab Uddin said.

Around 15,000 farmers have received their payments through mobile banking, with a total of Tk 15 crore distributed this season.

Moreover, to encourage growers, the

price of sugarcane was increased by Tk 25 per maund (about 37kg), raising it from Tk 600 to Tk 625.

Despite this, many farmers shifted to other crops that they consider more profitable than sugarcane.

This created supply gaps, reduced the extraction rate and made it impossible for the mill to achieve its production target.

Officials warned that failing to meet the target is likely to result in significant financial losses this season.

Per capita income rises 1% to \$2,769

STAR BUSINESS REPORT

The per capita income in Bangladesh rose by 1 percent year-on-year to \$2,769 in the fiscal year 2024-25 (FY25), according to final data from the Bangladesh Bureau of Statistics.

The per capita income was \$2,738 in 2023-24. In local currency, the figure stood at Tk 334,511 in 2024-25, up from Tk 304,102 in the previous year.

In FY25, the size of Bangladesh's economy increased to \$456 billion from \$450 billion a year earlier, although it was lower than the earlier estimate of \$462 billion.

Gold ticks up

REUTERS

Gold prices edged up on Thursday as uncertainty over US tariff policy boosted the metal's safe-haven appeal, while investors awaited further details on US-Iran talks later in the day.

Spot gold was up 0.4 percent at \$5,190.01 per ounce, as of 0816 GMT. Bullion had hit a more-than-three-week high on Tuesday.

US gold futures for April delivery were down 0.4 percent at \$5,206.80.

The US dollar eased, making dollar-denominated commodities more affordable for holders of other currencies.

“Iran-US persisting tensions and the uncertainty surrounding the global economy with (President Donald) Trump's tariffs are a bullish catalyst,” said Carlo Alberto De Casa, external analyst at banking group Swissquote.

Deal or no deal: What's the state of Trump's tariffs?

AFP, Washington

US President Donald Trump's push to reimpose tariffs after his Supreme Court setback has raised questions about his trade deals and future plans, while fueling a rush for refunds.

Here is the state of play as Trump moves to rebuild his trade agenda:

WHERE DO HIS TARIFFS STAND?

Trump's new 10 percent tariff on imports took effect Tuesday and will last for 150 days. It is widely viewed as a bridge towards more lasting action.

This does not apply to sectors targeted by separate investigations such as steel, aluminum and autos, nor does it hit the swath of goods entering the United States under the US-Mexico-Canada Agreement.

Trump has pledged to raise this tariff to 15 percent. But US trade envoy Jamieson Greer maintained Wednesday on Fox Business that Washington seeks continuity in its trade policy.

“We have the 10 percent tariff. It'll go up to 15 for some, and then it may go higher for others,” he said. “I think it will be in line with the types of tariffs we've been seeing.”

A uniform tariff hike to 15 percent will strike partners like Britain, who faced a lower level previously.

WHY ARE COUNTRIES NOT RETALIATING?

US trading partners who have struck deals with Washington have so far been seeking clarity but avoided clashes over the new tariffs.

“A lot of the issue is the sector-specific exemptions that they got,” said former US trade official Ryan Majerus, now a partner at King & Spalding.

The European Union, Japan and South Korea all struck deals that lowered US tariffs on their car exports, from 25 percent to 15 percent.

As sectoral tariffs were not affected by the high court ruling, Majerus told AFP that countries would be wary of giving up their gains.

If they violate their trade pacts, Washington could also further penalize them under well-established laws.

WHAT ARE TRUMP'S PLANS?

The Trump administration has signaled plans to reimpose more lasting tariffs – citing national security concerns or unfair trading practices as a justification.

These are areas where Washington can have “very durable tariffs where necessary,” Greer told Fox Business. “They've stood up to legal scrutiny in the past, and they will again.”

Trump's existing sector-specific tariffs for example were imposed under Section 232

of the Trade Expansion Act, which allows the president to roll out levies over national security risks.

Another authority, Section 301 of the Trade Act, allows Washington to address unfair foreign trade practices. It was Trump's main instrument to target China in his first

presidency.

Trump's future tariffs could cover industries like large-scale batteries, cast iron and iron fittings, plastic piping, industrial chemicals and power grid and telecom equipment, The Wall Street Journal reported. These would be issued under Section 232.



This picture shows cars for export before being loaded at a port in Lianyungang, eastern China's Jiangsu province on February 25. Trump's new 10-percent tariff on imports took effect Tuesday and will last for 150 days.

PHOTO: AFP

Besides these, trade lawyer Dave Townsend of Dorsey & Whitney expects to see “exceedingly broad” investigations under Section 301 that would allow Trump “to impose tariffs on many, if not most, countries.”

“By the end of the year, we would be back pretty close to where we were last week,” he said.

WHO GETS REFUNDS?

Separately, US importers are battling for tariff refunds, an issue the Supreme Court ruling did not cover.

Greer maintained that “those claims are proceeding,” adding that lower courts will deal with that.

“They'll tell us the time, place and manner of any type of refund,” he said.

But there could be further complications. “Firms are unlikely to pass on the benefit of these refunds to consumers,” said Bernard Yaros of Oxford Economics. “Most of the tariff cost has already fed through to core consumer goods prices.”

The mechanics and timing of returns are also unclear.

The refunds process to importers may not be messy. But purchasers of goods, if they are not importers themselves, could have to litigate further to get their money back, Townsend told AFP.

Global debt rose to a record \$348tn in 2025

REUTERS, New York

Global debt climbed to a record \$348 trillion at the end of 2025, after nearly \$29 trillion was added over the year in the fastest yearly build-up since the pandemic surge, a banking trade group reported on Wednesday.

The increase was driven primarily by governments, which accounted for more than \$10 trillion of the rise, with the United States, China and the euro area responsible for roughly three-quarters of the jump, the Institute of International Finance said in its latest Global Debt Monitor.

The data point to a global debt cycle now driven less by households or companies and more by persistent fiscal deficits in major economies, as bond markets have absorbed record debt sales at the start of the year.

With global growth expected to remain steady but moderate, the question for investors is whether borrowing can keep accelerating without pushing debt ratios higher again or testing demand for sovereign paper.

As a share of output, global debt edged lower to about 308 percent of GDP in 2025, the report said, driven mainly by advanced economies. Debt ratios in emerging markets continued to climb, hitting a record above 235 percent of GDP.

“A powerful mix of fiscal expansion, accommodative monetary policy, and ‘lighter-touch’ regulatory simplification could drive further debt accumulation – while heightening concerns about rising leverage and overheating in parts of the market,” the IIF said, pointing to persistent fiscal deficits across major economies.

Economy logs

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“This is certainly due to both internal and external factors,” said Prof Selim Raihan, executive director of the South Asian Network on Economic Modeling (Sanem). “One of the biggest reasons was the political transition. Because of that, and the related developments in the banking sector, business confidence dropped sharply.”

He noted that the erosion of confidence discouraged fresh investment while banks turned cautious on lending. “Credit growth declined considerably. Altogether, this reflects a downward shift in investment.”

Exports also underperformed, even weakened, he said. “Only remittances have performed somewhat consistently.”

Describing the macroeconomic picture as unusual, the Sanem executive director noted, “The economy is depressed, while inflation remains high.”

High inflation has eroded purchasing power, weakening consumer demand across all components of GDP – household consumption, public spending, investment and exports, he explained.

Although a new government has taken office, Raihan warned that FY26 may follow a similar pattern and that recent turbulence at the Bangladesh Bank could further dampen investor sentiment. “I do not expect a major surge in investment at this moment.”

The economist noted that public spending has remained subdued. “February has already ended, and only about four months remain in the fiscal year. It is unlikely that public spending will pick up significantly within this period,” Raihan said.

“Even if investor confidence begins to return, it will take time for that to be reflected in actual economic indicators,” he added.

Md Deen Islam, a professor of economics at the University of Dhaka, said businesses and investors

may delay commitments until they see how policy priorities evolve.

Such caution, he warned, could weigh on short-term activity. “That can slow economic activity in the short run, even if the government implements sound policies.”

He stressed that clarity and stability will be critical going forward.

“To support stronger growth, policy clarity, macroeconomic stability, and investor confidence will be essential. This means steady fiscal management, predictable regulatory frameworks, and efforts to improve credit flow and export performance,” he said.

“If these areas are strengthened, growth could accelerate in the medium term. Conversely, if uncertainty persists, growth may remain subdued despite changes in political leadership,” he added.

To revive growth, Islam stressed the need to restore macroeconomic stability and rebuild investor confidence.

There are tentative signs of a pickup. The economy expanded 4.5 percent in the first quarter of FY26, up sharply from 2.58 percent in the same period a year earlier, driven mainly by industrial and agricultural activity.

Bangladesh repays more foreign loans

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Tax collection by the National Board of Revenue, the main generator of revenue for the state, increased 13 percent in the July-January period of this fiscal year from a year ago. However, the NBR missed its target by 27 percent, a shortfall of Tk 60,110 crore, for the period, according to provisional data.

During the period, the government's net borrowing from the banking sector crossed Tk 48,800 crore, nearly five times the Tk 10,558 crore it borrowed in the same period a year earlier, according to Bangladesh Bank's provisional data.

“The borrowing for debt

Economic risk rises

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Strong remittance inflows, which grew 32 percent year-on-year during November to January, have offered partial support to households, although medium-term flows remain vulnerable to Gulf economic conditions and oil price movements.

EXTERNAL PRESSURES MOUNTING

The export sector, heavily reliant on ready-made garments, has faced renewed headwinds.

After a temporary rebound in the third quarter of 2025, exports declined sharply in the fourth quarter as earlier order frontloading in the United States faded and demand in Europe weakened.

Shipments to both the United States and Germany, each accounting for more than one-fifth of total exports, contracted notably.

While lower US tariffs and a new trade deal could provide short-term relief, Bangladesh's upcoming graduation from least developed country status in November 2026 presents a major medium-term challenge.

The European Union and the United Kingdom together absorb roughly 60 percent of Bangladesh's

merchandise exports, most of which currently enter duty-free under the Everything but Arms (EBA) arrangement.

Following graduation, exports could face tariffs of between 9 percent and 12 percent, potentially eroding competitiveness.

Oxford Economics warns that while some export frontloading may occur ahead of the transition, the eventual loss of trade preferences poses a significant risk to medium-term export prospects.

EXTERNAL BALANCE MAY WEAKEN AGAIN

The current account returned to surplus in 2025, supported by strong remittances and reduced profit outflows.

However, Oxford Economics expects it to revert to a narrow deficit in 2026 as imports recover and export growth slows.

Foreign exchange reserves have improved to around \$22 billion from roughly \$17 billion in 2024, aided by tight monetary policy and IMF support.

Even so, reserves still cover only about four months of imports, leaving the economy exposed to external shocks.

BD Thai Food factory robbed

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using an excavator, but they stopped after police were alerted.

In the letter to DSE, the company said the factory had previously been robbed in December 2024 and January 2025. Despite police complaints being filed on both occasions, no suspects were arrested and no stolen goods recovered.

Hamid claimed that police refused to register a case after the first robbery, but accepted one this time.

The company's Accounts and Admin Officer Tariful Islam filed a First Information Report at Dhamrai Police Station on February 11.

Inspector (Investigation) Md Shahidul Islam of Dhamrai Police Station confirmed that a case has been filed and is currently under investigation.

“So far, no one has been detained in connection with the incident,” he told The Daily Star.

The company, in its letter, said apart from stolen equipment and cash, the factory has suffered extensive losses in product manufacturing and marketing operations as a result of the incident.

Asked how the company plans to recover from its losses, Hamid noted that while the factory carries fire insurance, there is no coverage for robbery.

“If such repeated robberies continue, it will be difficult to keep the factory operational,” she said. “Even so, we have arranged electricity through one line again, so that at least some operations can resume.”

Apart from Hamid, her son Ryan Hamid and her nephew Rabat Maleque are also on the company's board.

BD Thai Food shares fell 0.57 percent to Tk 17.50 at the Dhaka Stock Exchange yesterday.

Does Ahsan H Mansur not deserve a respectful farewell?



MD MEHEDI HASAN

All of a sudden, on Wednesday afternoon, the BNP-led new government cancelled the contract of Ahsan H Mansur as governor of the Bangladesh Bank and, at the same time, appointed Md Mostaqur Rahman, a businessman from the garment industry, as the new governor.

The news came as a shock to many. However, it seemed to be a pre-planned event because over the past few days, officials of the central bank, especially the Bangladesh Bank Officers' Welfare Council, a forum representing a section of officials, had been preparing the ground for the new government.

In Bangladesh, it is not novel that when a new party comes to power, it brings its loyalists into major positions.

Industry insiders, however, expected that the BNP-led government would not change the governor of the central bank with such haste, as the country's banking sector is in an ailing state, and Mansur had taken bold measures to address the problems.

Now the question is how the BNP-led government has said goodbye to Mansur, whose reform initiatives were appreciated by different quarters.

The cancellation of the contract took place just two days after Mansur met with Finance Minister Amir Khosru Mahmud Chowdhury at his office. Mansur, a former economist at the IMF, briefed the media that

the new government will continue the ongoing reform programmes in the banking sector and said the minister was "very positive" about the measures.

After the news broke first on some televisions, he appeared totally unaware.

The Awami League government had reduced the country's readily usable foreign exchange reserves to below \$20 billion. It stood at \$30 billion early this week – a recovery in which Ahsan H Mansur played a major role.

One of the key reasons behind the increase in reserves was that he did not

resistance from the bureaucracy. He also made strong efforts to reform the Bank Company Act, though that too was not achieved owing to resistance from sponsors of banks and businesses.

He initiated the country's first bank merger process. However, he faced



Industry insiders had expected that the BNP-led government would not replace the central bank governor so hastily, given the fragile state of the country's banking sector and the bold measures Ahsan H Mansur had taken to address its problems

Ahsan H Mansur told journalists on the Bangladesh Bank premises that he knew nothing about the new appointment or the cancellation of his contract. He did not even resign, he told journalists.

Then the question came: was that really necessary? Couldn't the government inform Mansur about its intent to get a new chief for the central bank? Did it need to give all in the financial sector a surprise by removing Mansur? Why was he humiliated?

The government could have asked him to resign instead of cancelling his tenure outright – it would have been more respectful. The reforms he had undertaken could have been carried forward to a certain stage before his removal.

During the 18 months of the interim government, his reform efforts were widely known. He also played a significant role in improving the external

provide dollars from the reserves for government entities.

Instead, he asked government entities to collect forex from the market. It worked. The fall in reserves, which created widespread concern, could be prevented.

He repaid a large amount of foreign loans. During his tenure, remittances hit record highs one after another. Stability returned to the dollar market, and exchange rate volatility eased.

He brought out the true picture of the country's financial sector. Loans that had not been classified as defaulted during the Awami League period were identified as non-performing under his leadership. As a result, the default loan ratio rose to 36 percent.

During the interim government's tenure, he took the initiative to amend the Bangladesh Bank Order to ensure the central bank's autonomy, but ultimately could not succeed amid

widespread criticism for bringing two banks – EXIM Bank and SIBL – into the merger process.

Although Mansur's reform initiatives received praise, his remarks sometimes created unease in the financial sector and even among depositors. At the very beginning, he had said that 10 banks were on the verge of collapse, a statement that triggered pressure on banks as deposit withdrawals surged. Several other remarks also created difficulties for stakeholders in the sector.

However, his intent to clean the mess in the financial sector and establish good governance was clear. He has set a path and made things easy for the new government, which should have been appreciated. Instead, he has been ousted without any notice, given an undignified exit. This has set a bad precedent, which was unexpected.

Epicaricacy

MAHTAB UDDIN AHMED

Three friends from different countries once discussed what made them happiest. One said his joy came when his neighbour bought a new car, but he suffered daily parking problems. Another admitted he felt happiest when his hardworking colleague missed a promotion, and he got it instead. The third confessed that nothing pleased him more than being ill while his rival was even worse off. They laughed together and reached an uncomfortable truth. Happiness often feels sweeter when someone else is struggling. The story humorously exposes how people across cultures quietly enjoy others' misfortunes, proving that epicaricacy has no passport, only a very human instinct.

It also reminds me of the movie "Three Idiots", where reverse epicaricacy is beautifully depicted. Two close friends are disappointed not because they failed, but because their best friend ranked at the top of the class while they ranked at the bottom.

That scene mirrors a recent event. A new governor of the central bank was announced, and drawing rooms turned into policy think tanks. One professional body rejected him for his professional identity, the other for not fitting the traditional frame. Interestingly, both sides are regular advocates of reform. In true style, we want a transformation without changing the furniture. Quietly observing and helping him succeed sounded far too simple. We are so efficient that we deliver the match result before the toss, without knowing the players.

Human psychology works this way because our brains are wired for comparison, not contentment. From early life, self-worth is often measured against others' outcomes rather than personal growth. When resources, recognition, or respect feel limited, another person's success threatens our sense of value. Enjoying others' misfortune or feeling uneasy about their success briefly restores balance to the ego. It is not cruelty by nature, but insecurity, fear of falling behind, and a deep need for reassurance that we still matter.

It is not uniquely worse in Bangladesh, but social comparison feels sharper due to intense competition, limited opportunities, and a strong culture of ranking in education, jobs, and social status. This mindset quietly damages relationships, turning relatives into rivals and colleagues into

silent competitors. Trust erodes, empathy shrinks, and collaboration suffers. At a societal level, it discourages merit and openness; at a national level, it slows innovation and unity. When people wait for others to fail rather than help them succeed, progress becomes fragmented and fragile. Global and regional surveys show that this mindset is not unique to any one society. Psychological studies consistently link social comparison with envy, especially on social media platforms. Research across South Asia finds that frequent comparison increases insecurity, loneliness, and quiet pleasure in others' setbacks. Studies among Bangladeshi youth also show that higher social media use correlates with negative self-perception and emotional stress. Together, these findings suggest epicaricacy is a universal human response, amplified by competitive environments and digital highlight cultures rather than cultural cruelty alone.

The solution begins by shifting the focus from comparison to self-improvement. Teaching emotional awareness, celebrating effort over ranking, and reducing social media-driven validation can soften this habit. When individuals learn to measure growth against their own past, insecurity fades. Empathy strengthens relationships, confidence stabilises, and success no longer feels threatening. At a personal level, this brings mental peace. Socially, it fosters trust, collaboration, and a culture in which people rise together rather than wait for others to fall.

In Bangladesh, we may not export oil or microchips, but we are world-class exporters of opinions, comparisons, and post-match analysis of other people's lives. We celebrate success quietly and failure loudly, preferably with tea. Yet the truth is simple. When we stop counting others' marks, marriages, salaries, and sufferings, we gain something rare. Peace. Progress does not come from enjoying those who fell behind, but from walking forward without looking sideways every five steps.

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



US tariffs hit less than expected

European bank says

AFP, London

The economic impact of US President Donald Trump's tariffs was "much lower" than expected last year, Europe's development bank said Thursday, as it raised its growth forecast for 2026.

The US Supreme Court last week struck down much of Trump's tariff policy, prompting him to impose a new 10 percent duty under a different law, which he has vowed to raise to 15 percent.

But for countries where the European Bank for Reconstruction and Development operates, these developments will only bring "very limited" changes, chief economist Beata Javorcik told AFP.

The EBRD was founded in 1991 to help former Soviet bloc nations embrace free-

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Mobile subscribers see slight dip in 2025

MAHMUDUL HASAN

Bangladesh's telecom sector recorded a slight fall in total mobile phone subscribers in December 2025 compared with the same period a year earlier, due mainly to a drop in active connections after new limits on SIM ownership per individual.

With this, the total subscribers across the four major operators stood at 18.59 crore as of December 2025, down from 18.76 crore as of December 2024. The year-on-year decline amounted to 17 lakh users.

In June 2025, the government formally capped personal SIM ownership to 10 from 15 as part of a broader push to improve transparency in telecom services, curb criminal misuse of mobile connections and strengthen national security oversight.

Subscribers were initially given until October 30, 2025, to voluntarily deregister or transfer SIMs exceeding the new limit. The deadline was later extended to December 29, 2025.

Industry insiders say this process played a major role in the overall decline. Operator performance, however, varied.

Gramenphone, the country's largest

operator, retained its top position with 8.42 crore mobile subscribers, slightly down from 8.45 crore a year earlier.

Robi Axiata posted growth, increasing its subscriber base from 5.67 crore in December 2024 to 5.74 crore in December 2025, adding 7 lakh

users. Banglalink moved in the opposite direction, with subscribers falling from 3.98 crore to 3.75 crore, a loss of 23 lakh users. Industry sources link the drop to intensifying competition.

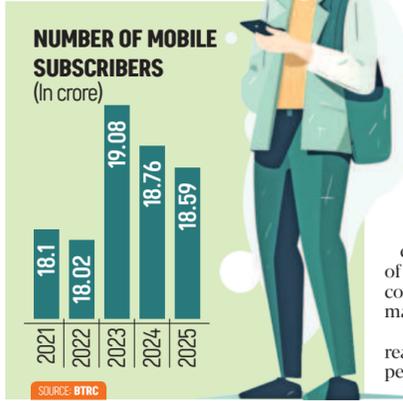
State-owned Teletalk saw a slight rise, growing from 65.6 lakh to 68 lakh subscribers. This gave it a market share of 3.66 percent as of December 2025.

Among the three private operators, only Robi Axiata expanded its subscriber base during the year.

Asked about the trend, Shahed Alam, chief corporate and regulatory affairs officer at Robi Axiata, said, "We continue to make significant investments in expanding and improving our network to deliver the coverage and service quality our customers expect."

"The positive response from our customers has been clear. Their recognition of our network leadership has translated into continued customer growth and increased market share," he added.

"Our focus remains on building a future-ready network that delivers superior performance, reliability, and value," said Alam.



Where AI lives: Southeast Asia's data centre boom

AFP, Karawang

Nonstop buzzing fills a windowless Microsoft data centre near Jakarta, part of a tech construction boom sweeping Southeast Asia that promises economic opportunities but is also hungry for resources.

As demand for artificial intelligence heats up, technology giants are racing to invest billions of dollars in the region, attracted by a growing plugged-in user base.

New data centres – warehouse-like facilities that store online files and power AI tools from chatbots to image generators – are mushrooming worldwide, and the sector is growing particularly fast in Asia.

AFP was recently granted rare access to a Microsoft data centre in Indonesia that is part of the new boom.

No company logo was visible on the vast boxy exterior of the centre, and visitors were only admitted after careful security checks.

Keeping the systems whirring is a constant operation, with technicians on site even during religious holidays.

Data centre capacity in Southeast Asia is projected to triple from 2025 levels by 2030, driven by a tenfold surge in AI use, according to a KPMG report. "We expect every app, every workload, every user to be using AI in some part of their workflow" in just a few years, Alistair Speirs, a manager for infrastructure at Microsoft, told AFP.

But many of Asia's data centres will add demand to grids still heavily reliant on planet-warming fossil fuels.

And to keep servers from overheating, they will place new pressure on often-stretched local water supplies.

READ MORE ON B2

Nvidia smashes forecasts with record quarter on AI surge

AFP, San Francisco

Nvidia on Wednesday reported blockbuster quarterly results that blew past Wall Street expectations, posting record revenue of \$68.1 billion as insatiable demand for its artificial intelligence chips showed no sign of cooling.

The figures – up 73 percent from a year ago and well above the \$65.7 billion analysts had forecast – sent a powerful signal that the technology buildout dominated by Nvidia that underpins the global AI boom remains in full swing.

Net income for the quarter more than doubled year-on-year to \$42.96 billion, causing a share price bump that was quickly erased by apparent investor profit taking.

Nvidia designs the graphics processing units (GPUs) that have become the backbone of the global artificial intelligence boom.

Founded in 1993 by Jensen Huang, who remains CEO, the Santa Clara, California-based company commands a market capitalization exceeding \$4.7 trillion, making it the world's most valuable publicly traded company.

Combined capital expenditure from the four major AI builders – Google, Amazon, Meta and Microsoft – could

approach \$700 billion this year as the tech giants race to stay ahead in the crucial technology.

A large share of that spending lands at Nvidia, which remains the dominant supplier of the AI chips and technology used to train and deliver generative AI

capability.

Huang said the AI industry had reached a decisive turning point driven by the rise of so-called agentic AI – systems that can take decisions and act autonomously on behalf of humans.

"We have now seen the inflection of



This illustration photograph shows screens displaying a portrait of the president of US chipmaker Nvidia, Jensen Huang, and the logo of the company.

PHOTO: AFP

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