DHAKA MONDAY MAY 4, 2026, BAISHAKH 21, 1433 BS • starbusiness@thedailystar.net

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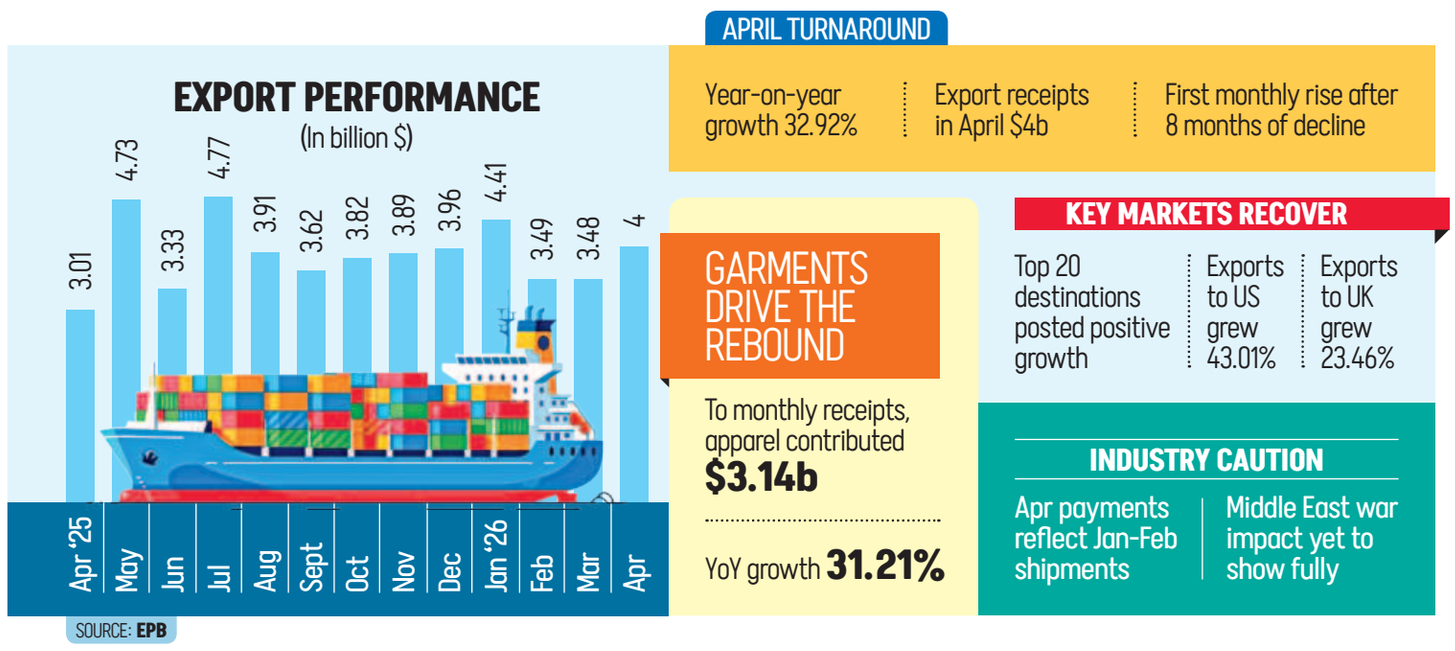
Exports snap 8-month decline with 33% surge in April

Shipments reach $4b with all top 20 export markets posting positive YoY growth



REFAYET ULLAH MIRDHA

The country's merchandise shipments rebounded strongly in April, ending eight consecutive months of decline as demand recovered in key markets including the US and the UK.

Outbound trade rose almost 33 percent year-on-year to $4 billion in April, according to data released by the Export Promotion Bureau (EPB) yesterday.

Despite the strong monthly performance, overall earnings in the first ten months of fiscal year 2025-26 remain slightly behind last year. In the July-April period of the current fiscal year, exports totalled $39.39 billion, about 2 percent lower than in the same period of FY 2024-25.

While the EPB says export destinations are showing encouraging signs, exporters, in a cautious tone, note that April receipts largely reflected payments for consignments shipped in January and February.

According to them, it was before the war in the Middle East began and before domestic energy shocks severely affected manufacturers.

Garments, which account for more than 80 percent of national exports, drove the April rebound. Apparel shipments increased 31.21 percent year-on-year to $3.14 billion.

Of that, knitwear earned $1.70 billion, up 30.02 percent, while woven garments brought in $1.43 billion, up 32.65 percent.

In the July-April period, garment exports fell 2.82 percent year-on-year to $31.71 billion. Knitwear declined 3.68 percent to $16.81 billion, while woven dropped 1.83 percent to $14.90 billion compared with the same period a year earlier.

The EPB said that major markets posted strong gains in April. Exports to the US rose 43.01 percent year-on-year, while shipments to the UK increased 23.46 percent.

The bureau said all of Bangladesh's top 20 export destinations recorded positive growth in the month.

Faisal Samad, a director of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), said the Iran war was not expected, and the shipments of January and February of this year were booked by international clothing retailers and brands in September and October last year.

"And the payment of those work orders came in April," he said. "However, overall response from the buyers is positive now as the general election is over in February and reciprocal tariffs in the US market have also been reduced to 10 percent."

He said the export growth in April was positive after a decline in eight straight months. Manufacturers need to observe what happens in June and July this year.

Inamul Haq Khan, senior vice-president of BGMEA, said the rise in exports has been anticipated as the Bangladesh Bank data showed imports were increasing.

"If the import grows, the export also goes up," he said. "In general, the condition of export work orders was not bad, although the buyers were cautious," he said.

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Remittances top $3b for fifth month

STAR BUSINESS REPORT

Remittance inflow rose 13.6 percent year-on-year to $3.13 billion in April, as expatriates sent more money home ahead of Eid-ul-Azha, the second of the two major Muslim festivals, expected to be observed later this month.

Every year, the country receives larger-than-usual money transfers from Bangladeshis living abroad ahead of the two Eids.

With the latest addition, expatriates have sent over $3 billion for five consecutive months, according to Bangladesh Bank data published yesterday.

Bankers attribute the trend to improved use of formal channels and stronger inflows from workers abroad.

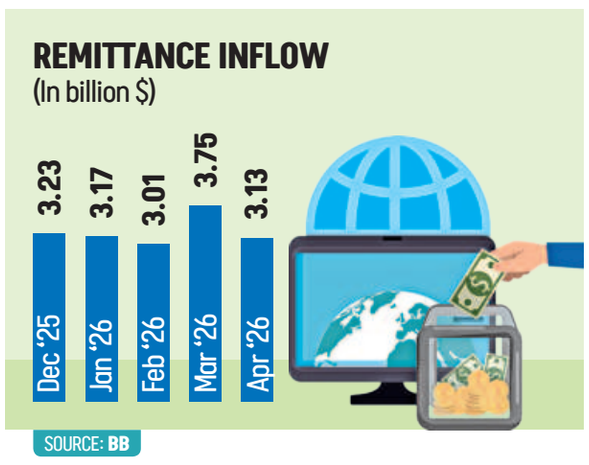
Central bank officials said remittance inflows have been growing not only in recent months but also since the fall of the previous government in August 2024.

Previously, demand for hundi had been on the rise amid reports of large sums of money being siphoned abroad. That has stopped since the interim government took over. The inflow, however, fell short of March's record $3.75 billion-- the highest single-month figure on record.

In the ongoing fiscal year 2025-26 (FY26), remittances have maintained robust growth, driving up the country's foreign exchange reserves.

Between July and April, total inflows reached $29.33 billion, up from $24.54 billion during the same period last year, marking a 19.5 percent increase.

Economists say the rising inflow could help ease pressure on the external sector, support exchange rate stability, and strengthen overall macroeconomic conditions if the trend holds in the coming months.



The surge in remittance comes at a time of concern over the possible impact of the US-Israel war on Iran on remittances in the coming months.

Bankers said the spike was largely due to the Eid festival, political stability, and a higher US dollar rate following a slight depreciation of the taka.

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Low economic diversification leads to middle-income trap

ADB official says

SOHEL PARVEZ, *from Samarkand*

Economies with low diversification will face challenges in coming out of the middle-income trap, said the head of the Asian Development Bank Institute (ADBI) yesterday.

The issue of diversification of the economy came up at a session on "Opportunities for South Asia in a Fragmented World" at the 59th Annual Meeting of the Asian Development Bank (ADB) in Samarkand, Uzbekistan. The four-day event began yesterday.

Bangladesh became a lower-middle-income country in 2015, and analysts have raised concerns that the country, highly dependent on certain sectors, namely ready-made garments, may fall into the middle-income trap, a stage of economic development where countries lose their competitive edge -- often due to rising wages and stagnant productivity -- and struggle to transition from middle-income to high-income status.

At the event, Bambang Brodjonegoro, dean and CEO of ADBI -- the Tokyo-based think tank of the ADB -- said a combination of exports and manufacturing can be a way for countries to escape the middle-income trap.

"In the case of exports, the best markets will be around you, and good relations with neighbours can help you benefit," he said.

Discussants said the global economic landscape is undergoing a significant transformation, shaped by geopolitical tensions, trade uncertainty, and rapid technological advancements.

Despite representing one-fifth of the world's population, South

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ADB unveils $70b plan for Asia power grids, digital highways

SOHEL PARVEZ, *from Samarkand*

The Asian Development Bank (ADB) yesterday launched $70 billion worth of new energy and digital infrastructure initiatives to be implemented by 2035, aiming to connect power grids, expand cross-border electricity trade, and improve broadband access across Asia and the Pacific.

Bangladesh is expected to play an important role in linking South Asia and Southeast Asia, particularly in power grids, officials said.

ADB President Masato Kanda announced the initiative at the 59th Annual Meeting of the Board of Governors of ADB in Samarkand, Uzbekistan. The four-day event began yesterday.

"Energy and digital access will define the region's future," Kanda said. "ADB is bringing Asia and the Pacific together to build the energy grids and digital highways that will power the region's future."

The initiative includes $50 billion for the Pan-Asia Power Grid and $20 billion for the Asia-Pacific Digital Highway.

"Across developing Asia, demand for reliable and affordable electricity is growing faster than systems can deliver. The Pan-Asia Power Grid will help countries connect their power systems, scale up cross-border electricity trade, and accelerate the integration of renewable energy," he said.

ADB said the $50 billion mobilised by 2035 will expand and modernise transmission networks and strengthen grid stability, aiming to integrate about 20 gigawatts of renewable energy across borders. "We plan to connect about 22,000 circuit-kilometre transmission lines," Kanda added.

READ MORE ON B2

Rain, storms leave salt farmers counting losses

Salt fields remain submerged in Chowfaldandi union of Cox's Bazar Sadar after days of continuous rain, forcing farmers to halt production before the scheduled end of the season. The photo was taken yesterday. PHOTO: COLLECTED

SUKANTA HALDER *and* **MOKAMMEL SHUVO**

Days of incessant rainfall during the peak production season have caused salt farming to come to a standstill, raising concerns over reduced salt output and posing risks to the country's overall supply and market stability.

Farmers are receiving higher prices than last year for their produce. However, unfavourable weather has flooded salt fields, dashing their hopes for higher profits.

The salt production season in the country usually runs from November to May, with production peaking from April to May due to the intense summer heat, but rain has brought production to an untimely halt, said an industry official.

While the situation remains bleak at present, farmers are hoping that a return of favourable weather and the consequent resumption of production could help ease this crisis.

As of April 27, total salt output reached 17.68 lakh tonnes, down from 18.61 lakh tonnes during the same period last season, according to Bangladesh Small and Cottage Industries Corporation (BSCIC) data.

Bouts of adverse weather were responsible for the downturn in output, said Md Zafar Iqbal Bhuiyan, deputy general manager of the Cox's Bazar Salt Industry Development Office under BSCIC.

"Nonstop rain at the end of last week damaged a significant volume of newly produced salt, causing heavy losses for farmers," he said.

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Teletalk gets 10 MHz in 700 MHz band despite huge dues

MAHMUDUL HASAN

The telecom regulator has decided to allocate 10 MHz from the highly valuable 700 MHz band to state-owned Teletalk, despite the operator owing around Tk 5,500 crore in spectrum fees and already holding significant unused or underused spectrum.

The decision was taken at a recent Bangladesh Telecommunication Regulatory Commission (BTRC) meeting, according to documents.

The 700 MHz band is considered globally valuable for wide coverage, strong indoor signal, low rollout cost, and suitability for rural-urban networks, including 5G. In Bangladesh, 45 MHz of the band is allocated for mobile use, while 20 MHz remains unused due to a legal dispute.

TIMELINE OF GOVT, REGULATORY ACTIONS

On February 8, just before the national election, the interim government, through the telecom ministry, sent a letter to BTRC instructing it to allocate 10 MHz of spectrum to Teletalk.

A day later, Teletalk applied for the spectrum.

On February 16, the ministry informed the regulator that Teletalk had proposed converting its unpaid dues -- including licence and spectrum fees -- into government equity, now under finance division review.

On April 9, BTRC sought guidance from the ministry on how Teletalk would pay for the allocation. On April 24, the ministry directed the regulator to proceed with the allocation, citing the need to reduce customer inconvenience in line with the government's election manifesto.

The price was set at Tk 237 crore per MHz, matching the rate paid by Grameenphone for 10 MHz in January as the sole bidder in the auction.

The move means the government may forgo at least Tk 2,000 crore in revenue in the near term.

Only 5 MHz of available spectrum in this band will remain for Banglalink and Robi, both of which have large customer bases. The two operators did not join the latest auction, saying prices were too high.

Spectrum is a limited and valuable resource that countries manage carefully, as it is important for improving telecom services and generating government revenue. In Bangladesh, there have been concerns about spectrum management, particularly regarding Teletalk.

LARGE DUES AND UNUTILISED SPECTRUM

Teletalk holds 55.2 MHz across the 900, 1800, 2100, and 2300 MHz bands and serves around 68 lakh

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