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Star BUSINESS



Chinese footprint widens in Bangladesh's economic landscape

JAGARAN CHAKMA

China has spent several decades building roads, bridges, tunnel and power plants across Bangladesh. Now, its focus is expanding.

The strongest evidence suggests it has, and the clearest sign is foreign direct investment (FDI).

China became Bangladesh's second-largest source of net FDI in 2025, accounting for more than 18 percent of total inflows, according to Bangladesh Bank data.

That means nearly one in every five investment dollars entering Bangladesh came from Chinese businesses. Chinese FDI reached a six-year high, while cumulative investment approached $2 billion last year.

In 2025, power attracted the largest share of FDI, receiving $448.18 million, followed by food processing with $410.62 million and textiles and apparel with $360.16 million.

Banking, telecommunications, chemicals and pharmaceuticals, agriculture, leather and information technology also drew substantial investment.

For years, Chinese companies were best known in Bangladesh as engineering, procurement and construction contractors rather than long-term investors. They built landmark projects such as the Padma Bridge Rail Link and the Karnaphuli Tunnel.

Now BB data show their role is changing.

China is increasingly directing capital towards industrial investment, relocating manufacturing and embedding itself more deeply in Bangladesh's production base.

That change is becoming visible across a series of developments which, taken together, point to a new phase in China-Bangladesh economic relations.

The most significant is the long-awaited start of construction of the China Economic and Industrial Zone (CEIZ) at Anwara in port city Chattogram.

First proposed during President Xi Jinping's visit to Bangladesh in 2016, the project remained largely dormant for years despite land acquisition and planning. Following Prime Minister Tarique Rahman's first foreign visit to Beijing in June, it regained momentum.

Designed to attract around $1.3 billion in investment and create more than 1 lakh jobs, CEIZ will be China's first dedicated industrial zone in Bangladesh. More importantly, it marks a shift from delivering infrastructure to establishing industrial production.

Chinese interest is also expanding outside Chattogram.

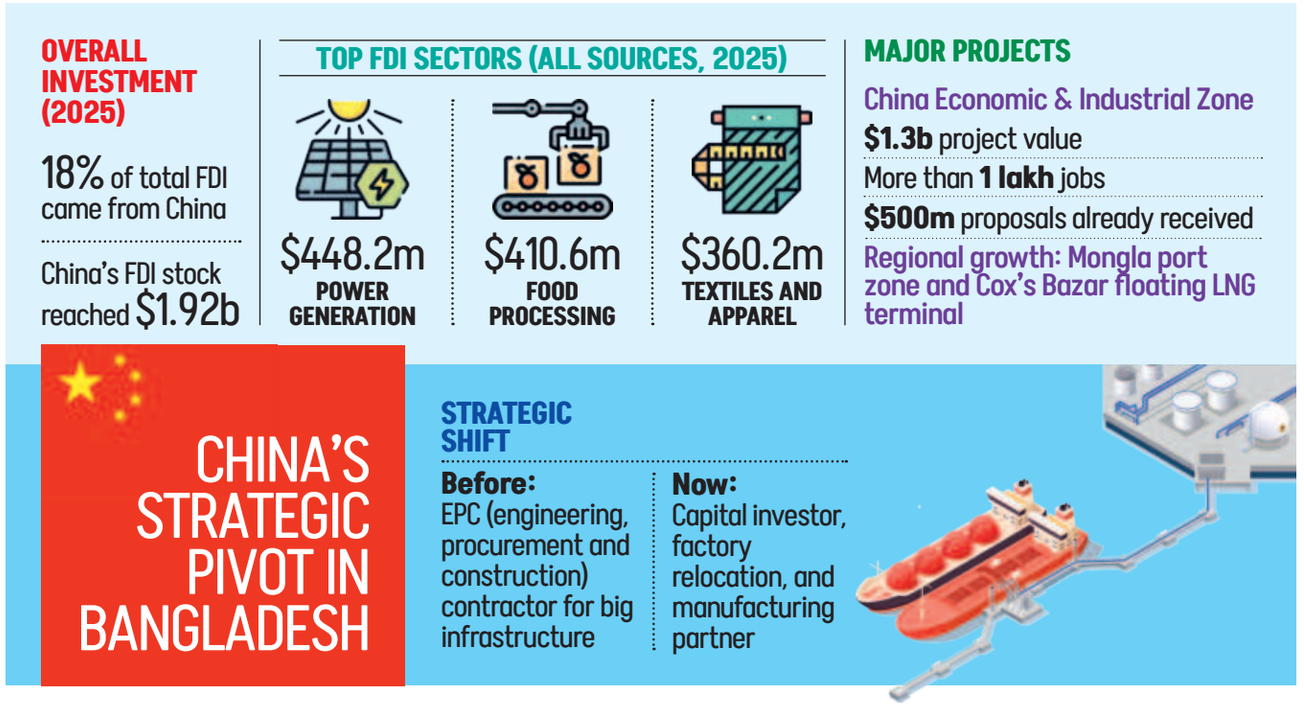
During the prime minister's visit, Dhaka and Beijing signed an agreement to develop the China-Bangladesh Mongla Port Economic Zone in Mongla, an area that had previously featured in India's industrial cooperation plans.

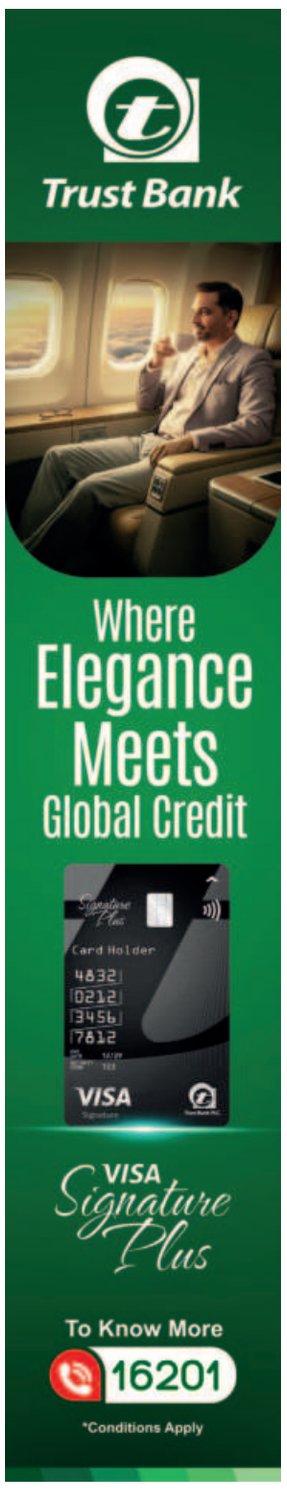
At the same time, Chinese involvement has widened to include port infrastructure, logistics and industrial development. While many of these projects are still at the planning or memorandum stage, together they suggest China is looking to build industrial ecosystems rather than deliver individual projects.

The timing is no coincidence.

As labour costs rise in China and geopolitical tensions reshape global supply chains, Chinese manufacturers are increasingly relocating labour-intensive production overseas. Vietnam and Cambodia have attracted much of that investment over the past decade.

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S Alam closes 11 factories as raw material crisis deepens

Over 5,000 workers lose jobs

STAFF CORRESPONDENT, *Ctg*

S Alam Group has shut down all its factories in Karnaphuli upazila of Chattogram, halting operations in 11 industrial units, company insiders have said.

The shutdown came into effect on July 31, a day after the company published lists of terminated employees on factory notice boards.

The move marks the latest phase of workforce reductions, with more than 5,000 workers and employees losing their jobs over the past two years, company sources said.

The affected factories are S Alam Refined Sugar Industries, S Alam Steel, S Alam Cold Rolled Steels, S Alam Cold Rolled Steels (NOF), Galco Steel, Chemon Ispat, S Alam Cement, S Alam Vegetable Oil Ltd., S Alam Super Edible Oil, Infinity CR Strips Industries, and S Alam Bag.

The notice issued on July 30 said the services of the listed employees would stand terminated with effect from August 1.

The group's factories have remained largely idle because it has been unable to import raw materials, said Rafiqul Alam, deputy general manager of S Alam Refined Sugar Industries

Company insiders said the factories had employed over 5,000 workers and staffers before the closure. Only a small number of personnel, mainly assigned to security duties, will remain at the industrial units, while further staff reductions are planned in the coming months.

The group's factories have remained largely idle because it has been unable to import raw materials, said Rafiqul Alam, deputy general manager of S Alam Refined Sugar Industries.

The company has been unable to open letters of credit (LCs) since the political transition in August 2024, resulting in a prolonged shortage of raw materials and, eventually, the suspension of production, he said.

Despite the production halt, workers and employees had continued to receive their salaries and festival bonuses, Rafiqul added.

The group's business operations have come under increasing pressure since the political transition in August 2024.

Following the fall of the Hasina-led Awami League government, S Alam Group reportedly lost control of banks linked to its business interests, while the Anti-Corruption Commission and other agencies launched several investigations into alleged financial irregularities involving the group and its chairman, Saiful Alam Masud. The allegations remain under investigation.

Dollar continues to gain vs taka

STAR BUSINESS REPORT

The US dollar continues to gain against the taka amid increased demand for foreign currency to clear import bills.

On July 13, the weighted average rate of the greenback hit Tk 123 per dollar in interbank trading. The rate, after remaining steady for three days, began to increase gradually.

On July 30, the taka-dollar exchange rate rose to Tk 123.82 per dollar in the interbank market. On the spot market, the dollar was traded at Tk 123.88 each on the same day, according to Bangladesh Bank (BB) data.

"We are seeing increased pressure for import payments, particularly for the import of fuel and fertiliser by government agencies. Overall, imports have increased too," said a top executive of a private bank.

During the July-May period of FY26, Bangladesh's imports grew 6.26 percent year-on-year to $64 billion. By contrast, exports declined 2 percent year-on-year to $40 billion, according to BB.

Bankers said that although the country received a record $35.5 billion in remittances sent by migrant workers and Bangladeshis living abroad, the inflow has slowed recently as the two major festivals -- Eid-ul-Fitr and Eid-ul-Azha -- have already been celebrated.

"It appears exports are likely to remain dull. The fresh escalation of the war in the Middle East and the consequent spike in oil prices have also raised concerns," said another banker. "It appears that the taka will remain under pressure for some time."

However, there is a flip side. A weaker taka will enhance the competitiveness of exports, bankers said.

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Bangladesh faces higher freight costs amid Mideast conflict

STAFF CORRESPONDENT, *Ctg*

Bangladesh's export sector is facing sharply higher ocean freight rates, largely driven by an escalating conflict between Iran and the US-Israel coalition that has choked shipping through the Strait of Hormuz, according to industry insiders.

However, most garment exporters, who account for the lion's share of the country's total exports, are expected to remain shielded from paying those costs directly, stakeholders say.

Import costs have risen too, though by a much smaller margin.

The Mideast conflict deepened this week, with Iran saying it stopped two vessels trying to leave the Strait of Hormuz and turned back four tankers, following a drone attack on ships at an Egyptian port earlier in the week, Reuters reported.

The US and Israel are reportedly planning strikes on Iran's energy infrastructure, including power plants and refineries, possibly as soon as this weekend, though no final order had been given as of Friday.

RATES FOR MIDEAST TRIPLED

Khairul Alam Suzan, vice-president of the Bangladesh Freight Forwarders Association (BAFA), said freight rates to the Middle East had briefly dropped to $1,400 to $1,500 per container during a ceasefire three weeks ago.

They have since jumped to $5,000 to $6,000.

He also said rates to Europe have climbed from around $4,000 to $5,000 to about $11,000 per container. Rates to Africa are up by another $3,000 to $4,000.

"Freight charges have doubled or even tripled," Suzan said. "Demand for 40-foot export containers remains high, while many containers are stranded in the Middle East because of the conflict."

He said shipping lines have rerouted vessels to avoid the Strait of Hormuz, adding to fuel and insurance costs.

Houthi forces in Yemen have this month also begun threatening the Bab el-Mandeb Strait, the other route out of the Red Sea, adding a second pressure point for shippers.

Industry insiders say shipping companies have cut back on export bookings from Bangladesh as well, leaving exporters and freight forwarders paying more and waiting longer for vessel space — in some cases up to three weeks longer.

GARMENTS SHIELDED, FOR NOW: BGMEA

Mahmud Hasan Khan, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), said most garment exporters are insulated from the immediate impact, since 90 to 95 percent of export orders are shipped on Free on Board (FOB) terms.

"Under FOB contracts, exporters bear transportation

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Container ships dock at Chattogram port, which handles the bulk of Bangladesh's seaborne trade. The photo was taken recently.

PHOTO: RAJIB RAIHAN

Women dominate sustainable finance borrowing

STAR BUSINESS REPORT

Women and rural entrepreneurs are leading Bangladesh's shift toward a climate-resilient economy, taking the lion's share of the country's growing sustainable finance portfolio.

Women accounted for 55 percent of the total 10.9 lakh sustainable finance recipients in the first quarter of 2026, outnumbering male borrowers, according to the latest quarterly review report on sustainable finance by Bangladesh Bank (BB), published last week.

The data revealed that over 73 percent of the borrowers are located in rural areas, especially those operating in the small business and agricultural sectors.

The BB said total sustainable finance disbursements topped Tk 100,057 crore during the January-March 2026 quarter.

Micro, small, and medium enterprises (MSMEs) absorbed Tk 36,537 crore, or 36.5 percent of total disbursements. Loans given to sustainability-linked initiatives accounted for nearly 42 percent of the total disbursement.

Banks led the disbursement drive, financing Tk 97,558 crore, while the rest was disbursed by finance companies.

The central bank highlighted the evolving regulatory landscape that has enabled this transition.

"Over time, Bangladesh Bank has established a comprehensive sustainable

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Prime Bank signs deal with Penthouse Livings for priority customers

STAR BUSINESS DESK

Prime Bank PLC has recently signed an agreement with Penthouse Livings Limited at the bank's corporate office in Dhaka.

According to a press release, Prime Bank Priority Banking customers will enjoy exclusive discounts on products and services offered by Penthouse Livings Limited, providing them with enhanced value and premium lifestyle benefits.

Prime Bank PLC Senior Vice President and Acting Head of Priority Banking Nahreen Quayyum and Penthouse Livings Limited Director of Operations Ashique Un Nabi signed the agreement on behalf of their respective organisations.

Prime Bank PLC Head of Customer Propositions Hossain Mohammad Zakaria, Penthouse Livings Limited General Manager of Sales and Operations Anisur Rahman, and Penthouse Livings Limited Head of Marketing Nafeez Imtiaz Karim, attended the signing ceremony alongside senior officials from both organisations.

The partnership reflects the shared commitment of Prime Bank PLC and Penthouse Livings Limited to deliver exclusive privileges and enhanced lifestyle experiences to Prime Bank Priority Banking customers through strategic collaboration.



Officials from Prime Bank and Penthouse Livings pose for photographs with the signed documents at the bank's corporate office in Dhaka recently. PHOTO: PRIME BANK

Pubali Bank wins awards at ICC Emerging Asia Banking Conclave & Awards



Monzurur Rahman, chairman of Pubali Bank PLC, attends a programme at the bank's head office in Dhaka recently to celebrate its achievements at the 4th ICC Emerging Asia Banking Conclave & Awards 2026. PHOTO: PUBALI BANK

STAR BUSINESS DESK

Pubali Bank PLC has won two awards at the 4th ICC Emerging Asia Banking Conclave & Awards 2026.

The awards were presented in the "Best Bank – Bangladesh" and "Best Performance on Growth – Bangladesh" categories.

Mohammad Ali, managing director of the bank, received the awards at the ceremony held at Le Méridien New Delhi in India recently. Ali said, "These honours are a reflection of the unwavering trust of our valued customers, the confidence of our shareholders, the visionary guidance of our board of directors, and the dedication, professionalism, and relentless commitment of our employees."

"This achievement will continue to inspire Pubali Bank to deliver more responsible, innovative, and customer-centric banking services," he said.

Expressing his views on the achievement, Monzurur Rahman, chairman of the bank, said that these international recognitions have further strengthened Pubali Bank PLC's position as one of Bangladesh's leading financial institutions. They reflect the bank's unwavering commitment to banking excellence, sustainable growth, sound corporate governance, innovation, and superior customer service.

To celebrate this achievement, the bank organised a programme at its head office in Dhaka. Hafiz Ahmed Mazumder, former chairman; Habibur Rahman, Azizur Rahman, Md Abdur Razzak Mondal, Rana Laila Hafiz, Mustafa Ahmed, Arif Ahmed Choudhury and Kabir Ahmed, directors; and Mohammad Naushad Ali Chowdhury and Prof Hasina Sheykh, independent directors, attended the event.

Midland Bank launches special interest rate loan facility for professionals

STAR BUSINESS DESK

Midland Bank PLC has introduced a new financing facility offering special interest or profit rates under both conventional loans and Islamic (Salam) financing, exclusively for professional customers.

The facility was formally launched during the bank's 183rd board meeting held on July 29 2026, with Chairman Ahsan Khan Chowdhury presiding over the inauguration, according to a press release.

The event was attended by several board members, Abul Kashem, director; AKM Badiul Alam, director; Hafizur Rahman Sarker, director; Shahnaj Parveen, director; Mohammed Helal Miah, director; Md Kamal Hossain, director; Abdul Alim Mondol, director; Riaz Ahmed Choudhury, independent director; and Managing Director & CEO Imtiaz U Ahmed, along with Deputy Managing Director Md Nazmul Huda Sarkar.

Registered professionals — including doctors, engineers, chartered accountants, chartered secretaries, architects, dentists, pharmacists, and veterinarians — will be eligible to avail the facility for purposes such as buying a new car, building or purchasing a home, and meeting other personal financial needs.



Midland Bank Chairman Ahsan Khan Chowdhury pose for photographs with other officials of the bank at the inauguration ceremony of its new financing facility in Dhaka on July 29. PHOTO: MIDLAND BANK

Abdul Hai Sarker reelected chairman of Dhaka Bank

STAR BUSINESS DESK



Abdul Hai Sarker

Abdul Hai Sarker has recently been re-elected as the chairman of the Board of Directors of Dhaka Bank PLC for a further term of two years.

Sarker completed his post-graduation from the University of Dhaka in 1970. Following his academic journey, he ventured into international trade and business, establishing himself as one of the country's distinguished industrialists.

Through his leadership, entrepreneurial acumen, and dedication, he built the Purbani Group into one of Bangladesh's leading business conglomerates, according to a press release.

Sarker is the founder chairman of Dhaka Bank PLC and chairman of the Bangladesh Association of Banks (BAB). He also served as a director of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI).

He was the former chairman of the Board of Trustees of Independent University, Bangladesh (IUB). He also served as the president of the Bangladesh Textile Mills Association (BTMA) for four consecutive terms.

In addition, he is a founder member of the Board of Trustees of the Bangladesh Enterprise Institute (BEI) and previously served as an associate director of the International Cotton Association, Liverpool, United Kingdom.

DBH Finance's half-year profit rises 32%

STAR BUSINESS DESK

DBH Finance PLC, one of the country's leading financial institutions with a prime focus on housing finance, has announced its financial results for the half year ended June 30, 2026.

For the period, the company reported a net profit after tax of Tk 556.46 million, 32 percent higher than the corresponding period of the previous year, according to a press release.

EPS for the half year stood at Tk 2.74, compared to Tk 2.07 for the same period last year. Net interest income grew by 44 percent, while operating income increased by 6.5 percent during the period.

Net asset value per share stood at Tk 50.79 as on 30 June 2026. Non-performing loans (NPL) remained below 1 percent of the total portfolio, among the lowest in the industry. Notably, the company has maintained the highest credit rating, AAA, for 21 consecutive years.

As of June 30, 2026, DBH's loan portfolio stood at approximately Tk 44,616 million, while its deposit portfolio stood at approximately Tk 43,980 million.



PHOTO: SHAHJALAL ISLAMI BANK

Officials of Shahjalal Islami Bank pose for photographs at its "Half-Yearly Business Conference-2026" at a hotel in Cox's Bazar on July 30.

Shahjalal Islami Bank organises half-yearly business conference

STAR BUSINESS DESK

Shahjalal Islami Bank PLC had organized "Half-Yearly Business Conference-2026" on July 30 at a local hotel in Coxsbazar through a hybrid platform.

The conference was presided over by Managing Director Mosleh Uddin Ahmed, while Mohammed Younus, chairman of the board of directors of the bank, was present as chief guest, according to a press release.

Among others, directors of the bank Md Towhidur Rahman and Abdul Hakim, and independent director Md Reazul Karim were present at the conference.

Additional Managing Director of the bank Md Abdullah Al-Mamun, and deputy managing directors Rashed Sarwar and MM Saiful Islam participated and delivered speeches at the conference.

Deputy Managing Director Md Jafar Sadeq, discussed elaborately on the overall performance of the first six months of 2026.

Through this hybrid platform, more than 1,000 participants took part in the conference. SEVP and Company Secretary of the bank Md Abul Bashar moderated the conference.

At the conference, the speakers discussed the business performance of the first six months of the current year and urged taking necessary strategies and action plans to achieve the business target for the remaining time of the year.

Bangladesh Bank hosts Bangla QR awareness session in Habiganj



Officials from BRAC Bank, Bangladesh Bank and government agencies, along with bankers, merchants, entrepreneurs, educators, and media professionals, pose for a photograph at the Habiganj Town Hall Auditorium on July 29. PHOTO: BRAC BANK

STAR BUSINESS DESK

Bangladesh Bank organised a stakeholder engagement session in Habiganj to accelerate the implementation of Bangla QR and promote interoperable digital payments as part of the country's journey towards a Cashless Bangladesh.

BRAC Bank acted as the lead bank to organise the interactive session with guidance from Bangladesh Bank, according to a press release.

Held at the Habiganj Town Hall Auditorium on July 29, the event brought together officials from Bangladesh Bank, government representatives, bankers, merchants, entrepreneurs, educators, and media professionals to discuss the role of Bangla QR in expanding secure, seamless, and inclusive digital payments across Bangladesh.

The session was attended by Bangladesh Bank Sylhet Office Executive Director Khaled Ahmed as chief guest.

Bangladesh Bank Sylhet Office Additional Director Mohammad Shafiqul Islam and Deputy Commissioner's Office Assistant Commissioner and Executive Magistrate Al Nadarun Bin Akon attended as special guests.

BRAC Bank Sylhet Region Regional Head Rezaur Rahman presided over the programme and BRAC Bank Retail Banking, Merchant Acquiring, e-Commerce Senior Manager Raihanul Kabir delivered a keynote presentation.

Bangladesh Bank officials highlighted that the national Bangla QR standard enables seamless, interoperable payments for customers and merchants, driving the transition toward a cashless economy. Speakers encouraged businesses to adopt this technology to reduce cash dependency and enhance financial inclusion.

The discussion also highlighted that wider adoption of Bangla QR will reduce dependence on cash, simplify payment acceptance for merchants, enhance transaction transparency, improve business record-keeping, and strengthen financial inclusion, particularly for small and medium-sized enterprises.

Modhumoti Bank holds 13th AGM

STAR BUSINESS DESK

Modhumoti Bank PLC yesterday held its 13th annual general meeting (AGM) at Sheraton Dhaka in Banani.

Salahuddin Alamgir, chairman of the bank, presided over the meeting, according to a press release.

Mohammad Ismail Hossain, vice-chairman of the bank; Mostafa Kamal, chairman of the executive committee of the bank; and A Mannan Khan, chairman of the risk management committee, attended the AGM.

A large number of shareholders from across the country attended the AGM. They approved the bank's future plans and directives presented at the meeting.

They also shared their views on the bank's future strategy, service expansion, and the improvement of customer service quality. Md Shafiul Azam, managing director, and Md Rezaul Karim, company secretary, along with other directors, the external auditor, and senior officials, were also present at the meeting.



PHOTO: MODHUMOTI BANK

Salahuddin Alamgir, chairman of Modhumoti Bank PLC, attends the bank's 13th annual general meeting at Sheraton Dhaka in Banani yesterday.

Cold storage owners seek higher charge for potato

Association denies overcharging farmers, cites rising power and financing costs

STAR BUSINESS REPORT

The Bangladesh Cold Storage Association yesterday defended the government-approved potato storage charge, saying its members have not collected more than the fixed rate despite rising operating costs, and urged the government to revise the tariff to ensure the sector's sustainability.

Addressing a press briefing in Dhaka's Purana Paltan yesterday, Mostofa Azad Chowdhury Babu, president of the association, dismissed allegations that cold storage owners were charging farmers more than the approved rate.

"Not a single cold storage has charged more than the government-approved rate of Tk 6.75 per kilogramme for potato storage," he said.

He said operators have continued to charge the government-fixed maximum rate even though operating costs have risen sharply over the past year.

According to the association, electricity tariffs for cold storage facilities rose by 18 percent from June 1 this year, while labour costs, employee salaries, refrigerant gas, lubricants and maintenance expenses have also increased substantially.

"We have repeatedly requested the government to revise the storage charge in line with the increased operating costs. Without a revision, many cold storage operators will struggle to pay electricity bills and bank loans," Mostofa said.

The association said Bangladesh produced around 1.12 crore tonnes of potatoes this year against an estimated domestic demand of 90 lakh tonnes, while nearly 34 lakh tonnes were stored in 351 cold storage facilities nationwide.

Mostofa said some "vested groups" were spreading misinformation by claiming that cold storage owners were charging more than the approved rate, creating unnecessary confusion among farmers and policymakers. He maintained that all potatoes accepted for storage this season were stored under agreements based on the government-approved charge.

Presenting the association's cost analysis, he said a 10,000-tonne cold storage facility pays around Tk 5.86 per kg in bank loan repayments and interest alone. With electricity costs rising to about Tk 1.25 per kg, the combined cost reaches Tk 7.11 per kg, exceeding the approved storage charge.

After adding staff salaries, maintenance, refrigerants and other operating expenses, the actual cost of storing potatoes stands at about Tk 9.62 per kg, he said.

"The current tariff does not even cover our basic operating costs. If cold storage operators become financially unviable, the entire potato supply chain will be affected," Mostofa said.

The association warned that if operators fail to pay electricity bills because of mounting losses, power connections to cold storage facilities could be disrupted, putting millions of tonnes of stored potatoes at risk.

Calling for an urgent review of the storage charge, Mostofa urged the government to determine the tariff through consultations with relevant ministries, financial experts and stakeholders.

He also proposed subsidised electricity for privately operated cold storages, concessional bank financing, higher export incentives for potatoes and more flexible loan repayment schedules.

"If cold storage operators cannot survive financially, potato farmers, traders and ultimately the country's food security will suffer," he said.



Workers sort potatoes at a cold storage facility. The Bangladesh Cold Storage Association says members have charged the government-approved Tk 6.75 per kg storage fee despite costs rising to about Tk 9.62 per kg. PHOTO: COURTESY

India approves $8.81b offshore oil and gas exploration plan

AFP, *New Delhi*

India said Friday it will provide $8.8 billion in financial support for offshore oil and gas exploration as part of its efforts to reduce its heavy reliance on energy imports.

India, the world's third-largest importer of oil and the second-largest buyer of liquefied petroleum gas (LPG), has faced major disruptions due to restrictions on the Strait of Hormuz driven by conflict between the United States and Iran.

To cushion the impact, New Delhi has expanded its pool of crude suppliers from 27 to 41 countries, including Venezuela, while increasing purchases from Russia and several African nations.

The cabinet, chaired by Prime Minister Narendra Modi, approved what officials described as a "very ambitious" push to explore vast offshore areas on Friday under India's jurisdiction for untapped oil and gas reserves.

"If exploration is carried out properly, India can achieve substantial production," Information and Broadcasting Minister Ashwini Vaishnaw told reporters in New Delhi.

Modi first announced the offshore exploration mission during a speech marking the country's Independence Day in August last year.

India's Petroleum and Natural Gas Minister Hardeep Singh Puri told AFP last month that the recent energy crunch had provided fresh impetus to India to expand its domestic supplies.

India currently meets only around 10 percent of its crude oil requirements through domestic production.

The cabinet also approved a separate plan to expand renewable energy generation, targeting 102 gigawatts of solar power capacity over the next five years through photovoltaic installations on reservoirs, canals and industrial water bodies.

India's installed solar capacity currently stands at about 162 gigawatts, among the highest in the world.

Oil prices settle more than 1% higher

REUTERS, *New York*

Oil prices closed more than $1 per barrel higher on Friday, ending July with their biggest monthly gains since March, as concerns over global crude flows mounted on Iranian reports that some tankers were forced to turn back in the Strait of Hormuz.

Brent futures settled up $1.09, or 1.2 percent, at $90.12 a barrel, while US West Texas Intermediate (WTI) futures closed up $1.08, or 1.3 percent, at $84.67 a barrel.

For July, Brent gained 24 percent and WTI rose 21 percent.

The war in Iran, which began on February 28, has sharply curtailed traffic through the Strait of Hormuz, a vital chokepoint that previously carried about a fifth of global crude oil and natural gas supplies, disrupting millions of barrels per day of Middle East output.

Iran has largely blocked shipping through the strait since the conflict began, while its Houthi allies in Yemen this month threatened vessels transiting the Bab el-Mandeb strait at the southern end of the Red Sea, jeopardizing an alternative export route used by Saudi Arabia and other regional producers.

Iran's Revolutionary Guards stopped two tankers from transiting the Strait of Hormuz, while four others changed course, Fars News Agency reported.

Two very large crude carriers carrying oil loaded from the Gulf exited the strait on Friday, although traffic through the waterway remained sparse, according to Kpler ship-tracking data.

Twenty-nine commodity vessels passed through the Bab el-Mandeb strait on Thursday.

"The market has stopped trading the war and started trading the shipping data," said Ole Hvalbye, market analyst at SEB Research.

Talks between Iran and Oman on managing the strait continue, according to the Iranian Labour News Agency, despite Tehran's rejection of Oman's proposal for joint management of the waterway.

Chinese footprint widens

FROM PAGE B1

Bangladesh is now positioning itself as another destination, offering competitive labour costs, preferential access to Western markets and a well-established garment industry.

The energy sector reflects the same trend. Chinese companies continue to pursue opportunities in power generation, renewable energy and liquefied natural gas infrastructure.

Last week, Bangladesh approved in principle the country's third floating storage and regasification unit (FSRU), which will be built by China at Maheshkhali in Cox's Bazar.

Chinese investment in textiles, apparel, furniture, plastics, chemicals, batteries and other manufacturing industries also shows this wider regional shift rather than an isolated bilateral development.

Bangladesh's own investment policy has evolved alongside these global changes.

The Bangladesh Investment Development Authority (Bida) has introduced dedicated engagement mechanisms for Chinese investors. The agency says about 510 Chinese companies now run businesses in Bangladesh across manufacturing, power, textiles, construction and trading.

Mustafizur Rahman, distinguished fellow at local think tank Centre for Policy Dialogue (CPD), said China's growing investment reflects a convergence of trade ties, industrial familiarity and changing global supply chains.

"China has been Bangladesh's largest source of imports for years. That has given Chinese businesses a deep understanding of the market," he said.

Mustafizur said Chinese companies also built confidence through years of involvement in infrastructure, power and construction projects before expanding into manufacturing.

Global supply chain realignment has further strengthened Bangladesh's position.

"As China moves towards higher-value manufacturing and faces higher US tariffs, labour-intensive industries are relocating overseas," Mustafizur said.

He said the China Economic and Industrial Zone in Anwara could become a major catalyst for industrialisation by attracting new manufacturers while increasing commercial use of the Karnaphuli Tunnel and Matarbari Port.

"Greater Chinese investment would create jobs, facilitate technology transfer, strengthen foreign exchange earnings and diversify exports," he said.

Al Mamun Mridha, former secretary general of the Bangladesh China Chamber of Commerce and Industry, said China's investment story has unfolded in stages.

Chinese firms initially entered Bangladesh as suppliers of affordable industrial machinery, often offering supplier credit unavailable from European or Japanese competitors. They later established operations in export processing zones before expanding into textile machinery, garments, backward linkage industries, power generation and major infrastructure.

The next stage, he said, is manufacturing.

"Chinese companies are now looking beyond construction projects. Many are relocating manufacturing to Bangladesh because of its competitive labour costs, preferential market access and growing domestic market."

Lee Wai Choong, managing director of Vernon & Oliver Furniture Company Limited, a Chinese mattress manufacturer in the BEPZA Economic Zone in Mirsharai, Chattogram, said Bangladesh offers competitive labour costs, a growing industrial ecosystem and expanding opportunities for labour-intensive production.

As workers gain more skills, he said, the country could gradually attract higher value-added industries including electronics, chemicals, semiconductors and advanced manufacturing.

"BEPZA has set a good example of investor support and responsiveness. If other government agencies could match that level of efficiency, Bangladesh would become much more attractive to foreign investors," he said.

Nahian Rahman Rochi, executive member of Bida, said the recent increase reflects years of targeted engagement rather than a temporary spike.

"Over the past year, Bida has established a dedicated pipeline and relationship-management mechanism for Chinese investors. We have identified high-potential companies, engaged with them regularly, and worked with relevant agencies to address specific bottlenecks as investors move from initial interest to actual investment," he said.

The China Economic and Industrial Zone has already received investment proposals worth around $500 million and is expected to become a major platform for export-oriented manufacturing, he said.

Bida also plans to establish its first overseas office in Guangzhou and deepen cooperation with the China Council for the Promotion of International Trade (CCPIT).

"These initiatives will help us build a stronger and more sustainable pipeline of Chinese investment and, crucially, translate investor interest into projects on the ground," said Nahian.

Apple set to lose $500b after weak forecast

REUTERS

Apple shares fell nearly 10 percent on Friday after a disappointing forecast showed that the iPhone maker was struggling to secure enough components as the AI-driven data center boom strains global supply chains.

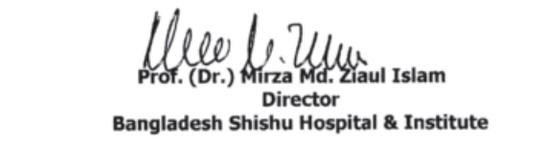
The drop, if sustained, would mark the stock's worst day since the pandemic-driven selloff in March 2020. It would erase nearly $500 billion from Apple's market capitalisation and return the crown of the world's most valuable company to AI chip giant Nvidia, days after reclaiming it.

Tim Cook, widely hailed as a supply-chain genius, called the shortages "very significant" and said Apple had limited options to address them, speaking on his final earnings call as CEO before handing the reins to John Ternus in September and becoming executive chairman. "If even at Apple's scale they are saying they are out all supply chain flexibility, it's really bad for everyone," said Ben Bajarin, CEO of tech consultant Creative Strategies.

Big Tech has been scooping up advanced chip-making capacity and memory chips to power its AI data centers, sparking shortages and price increases that are expected to shrink both the personal computer and smartphone markets this year.

Apple had cushioned some of the blow from surging memory costs by drawing on stockpiled inventory, but Cook said that the buffer was fading and shortages of processors were keeping it from meeting strong demand for iPhones and Macs.

Advertisement



Roundtable urges withdrawal of proposal to raise foreign ownership cap in logistics

A roundtable titled "Protecting Domestic Investment in Logistics & Policy Reform" was organised by the Center for Strategic Research (CSR) at the BRAC Centre in Mohakhali, Dhaka, on Wednesday. Zonayed Saki, State Minister for Planning, joined online as chief guest; Mahmudur Rahman Manna, President of Nagorik Oikya, attended as special guest. Saqeeb Anwer, Executive Director of CSR was also present at the event.

Bangladesh faces

FROM PAGE B1

costs only up to the port. Ocean freight, container charges and other international shipping costs are paid by overseas buyers," he said.

But he warned the effects would eventually reach exporters too. "When logistics costs increase, buyers usually reduce imports or place fewer orders," he said.

Large international buyers are more insulated, he said, since they lock in freight rates through annual contracts with major shipping lines.

Smaller buyers who rely on spot bookings have to absorb the higher rates — and that, he said, could start affecting where they choose to source from.

On the import side, traders report a comparatively smaller 20 to 30 percent rise in freight rates.

They attributed this partly to container-size dynamics – most inbound cargo moves in 20-foot containers, while exports mostly need 40-foot ones, which are running short during the disruption.

Women dominate

FROM PAGE B1

finance architecture through a clear chronology of regulatory interventions, enabling the financial sector to systematically integrate environmental, social, and governance considerations into mainstream financing decisions," the BB report noted.

Despite the quarter's strong overall performance, direct green finance disbursements – targeted at pure eco-projects like renewable energy – recorded a quarterly decline to Tk 5,196.70 crore.

Addressing this variance, the central bank emphasised the need for consistent policy implementation.

"While variations in quarterly trends highlight the need for continued policy alignment and capacity building, the overall direction remains positive and consistent with national development priorities," the central bank observed.

It added that its ongoing policy refinements and refinancing schemes are expected to "further stabilise and enhance sustainable finance flows in a gradual and sustained manner" going forward.

Dollar continues

FROM PAGE B1

As demand for foreign currency increases, BB has stopped buying US dollars from the market since June 8. The central bank bought $6.4 billion from the market between July 2025 and June 2026 as part of its effort to build foreign exchange reserves.

Bangladesh Shishu Hospital & Institute
(Former Dhaka Shishu Hospital)
Sher-E-Bangla Nagar
Dhaka-1207

Ref. No. (G)(FW)/e-GP/BSHI/2025-2026/03 Date: 02/08/2026

e-Tender Notice

e-tender is invited in the national e-GP portal (www.eprocure.gov.bd) for the procurement of the following goods:

Sl No.	Description of Goods	Tender ID	Publication Date & Time	Last Selling Date & Time	Closing Date & Time
1	Supply of electric and plumbing Items.	1279820	02/08/2026 10:00	17/08/2026 16:00	18/08/2026 12:00

This is an online tender, where only e-Tender will be accepted in the National e-GP portal and no offline/hard copies will be accepted.
To submit e-Tender, registration in the National e-GP system portal (www.eprocure.gov.bd) is required.
Further information and guidelines are available in the National e-GP portal (www.eprocure.gov.bd) and from e-GP help desk (helpdesk@eprocure.gov.bd).

Prof. (Dr.) Mirza Md. Ziaul Islam
Director
Bangladesh Shishu Hospital & Institute

GD-1877



Rupali Chowdhury

Predictable policies key to attracting FDI

FICCI President Rupali Chowdhury says implementation matters more than new policies

JAGARAN CHAKMA

Despite its large market and young workforce, Bangladesh trails regional peers in attracting foreign direct investment due to policy uncertainty, weak logistics and unreliable energy, according to Rupali Chowdhury, president of the Foreign Investors' Chamber of Commerce and Industry (FICCI).

Foreign investors increasingly compare Bangladesh with competitors such as Vietnam, Indonesia, India, and Pakistan, where projects move faster, and government services are more predictable, she said in an interview with The Daily Star.

"Investors do not compare Bangladesh with its own past. They compare us with competing destinations," Rupali said.

Her remarks came as FICCI launched its report, FDI for a New Bangladesh: Roadmap for a $15 Billion Vision, which argues that Bangladesh continues to lag behind its regional peers in attracting investment despite decades of economic growth.

The report shows Bangladesh's FDI-to-GDP ratio stood at just 0.29 percent in 2024, compared with 4.23 percent in Vietnam, 1.74 percent in Indonesia and 0.72 percent in Pakistan. It identifies policy uncertainty, logistics bottlenecks, infrastructure shortages, financial sector weaknesses, tax complexity and weak investor protection as the main barriers to investment.

Rupali said logistics remains one of Bangladesh's biggest competitive disadvantages.

"It is not only about roads. It is the entire supply chain," she said, referring to port congestion, traffic bottlenecks and delays in moving goods between Chattogram and Dhaka.

She said these bottlenecks raise transport costs and delay deliveries, undermining Bangladesh's competitiveness. Addressing them requires better coordination among government agencies and sustained investment in transport infrastructure.

Another major challenge is the slow automation of public services.

Rupali said customs, regulatory approvals and other government services still rely heavily on manual processes.

"We need seamless automation," she said. "If manual processes remain, businesses will continue to face delays."

Automation must go beyond online systems by eliminating unnecessary physical interactions, she said. The FICCI report echoes this, citing lengthy approval procedures, overlapping regulations and poor inter-agency coordination as factors that increase costs and uncertainty.

Rupali suggested such reforms be designed and implemented in consultation with businesses.

"We have identified the problems. The government now needs to address them, while involving the private sector because businesses are the end users of these systems," she said.

As an example, Rupali cited the Bangladesh Economic Zones Authority's (Beza) limited authority to ensure supporting infrastructure and utility services in the industrial zones it allocates. "If one agency has to depend on several others to deliver services, investors continue to face delays," she said.

She added that this lack of coordination increases uncertainty for investors planning large manufacturing projects that depend on timely access to utilities and transport infrastructure.

Rupali said reliable energy supply has become one of the first issues raised by prospective investors considering Bangladesh.

"If we cannot assure investors of reliable energy, it becomes difficult to convince them to establish new industries here," she said.

The financial sector is another concern. The FICCI chief said high lending rates have significantly increased the cost of new investments.

"When borrowing costs rise to 14 or 16 percent, businesses naturally become more cautious about making fresh investments," she said.

She also cited exchange-rate volatility as another factor making investment decisions harder, particularly for companies that depend heavily on imported machinery and raw materials.

According to the report, weaknesses in the banking sector, including high levels of non-performing loans and limited access to long-term financing, have further undermined investor confidence.

Despite these challenges, Rupali said Bangladesh retains significant strengths, including a large consumer market, an expanding manufacturing base and a young labour force.

She said global manufacturers are increasingly diversifying production under the "China Plus One" strategy, creating opportunities for Bangladesh to attract new investment.

However, those opportunities will not last indefinitely if competing countries continue to move ahead with reforms, she said.

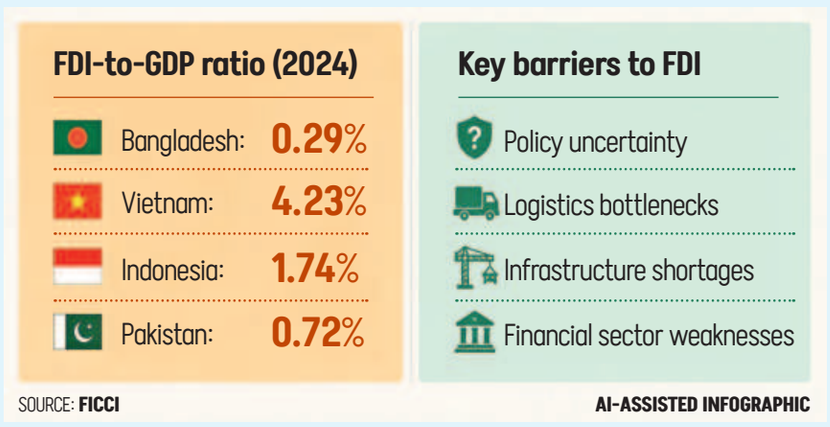
The FICCI report notes that multinational companies now place greater emphasis on policy predictability, efficient logistics, legal protection and institutional quality than on low labour costs alone. It says countries such as Vietnam and India have strengthened industrial policies and logistics networks to capture a growing share of global investment flows.

Rupali said implementation is more important than announcing new policies.

"Bangladesh has many strengths. What investors want now is timely implementation, predictable policies and reliable institutions," she said.

FICCI estimates that, if these reforms are implemented consistently, Bangladesh could increase annual FDI inflows from about $1.7 billion to $15 billion by 2030, raising the FDI-to-GDP ratio from around 0.36 percent to 2.5 percent.

The report says achieving that target will require sustained policy consistency, stronger institutions and closer collaboration between the government and the private sector.



SOURCE: FICCI AI-ASSISTED INFOGRAPHIC

What global companies can do in Bangladesh

MAMUN RASHID

Bangladesh has reached an important stage in its economic journey. It is no longer seen only as a low-cost manufacturing base or an emerging consumer market. With a growing middle class, improving infrastructure and an expanding private sector, it has become a market where global companies can create long-term value while contributing to institutional development. Their role, however, should extend beyond investment, sales and profit. Their greatest legacy should be the transfer of knowledge, governance and leadership.

There is a clear distinction between a foreign company, a multinational enterprise and a truly global corporation. While all global companies are foreign companies, not all foreign companies are global in character. A foreign company may simply sell products in Bangladesh, while a multinational may establish manufacturing or distribution operations, creating synergies at the bottom of the pyramid. A global company goes further by bringing a unified culture of governance, compliance, talent development and risk management that remains consistent across markets. It is this institutional character that creates lasting value for the host economy.

Although Bangladesh hosts relatively few such companies, it has benefited greatly from those that operate here. Global banks, professional, technology and consumer goods firms have introduced international standards in financial reporting, internal controls, customer service, supply chain management and corporate governance. Many professionals trained in these organisations have gone on to lead local businesses, spreading those standards across the economy.

Their next major contribution should be leadership localisation. As Bangladesh's economy matures, more local professionals are capable of leading complex organisations. They often understand the country's regulatory environment, culture and business realities better than expatriates who serve only a few years. Local leadership also strengthens employee engagement, improves stakeholder relationships and signals confidence in the country's talent.



However, appointing local chief executives should not be treated as a diversity initiative. It requires sustained investment in leadership development, cross-border exposure and succession planning. Promising executives should receive regional assignments, global mentoring and cross-functional experience before taking the top job. Leadership cannot be improvised; it must be developed over many years.

At the same time, global companies must protect the principles that define them. Strong compliance, transparent procurement, merit-based recruitment and disciplined credit and investment decisions are not bureaucratic procedures but the foundation of institutional credibility. In emerging markets, where informal influence often competes with formal governance, these principles are even more valuable. A company's long-term reputation depends not only on financial performance but also on its ability to resist nepotism, conflicts of interest and undue external pressure.

Knowledge transfer is equally important. Bangladesh needs more than foreign capital; it needs global capabilities. Companies should invest more in technical training, digital transformation, innovation centres and managerial education. Partnerships with universities, research institutions and professional bodies can help develop globally competitive leaders who remain closely connected to local realities.

Global companies can also strengthen Bangladesh's corporate ecosystem by developing suppliers, supporting small and medium enterprises, promoting environmental sustainability and raising governance standards among business partners. Such responsible practices create positive spillover effects that extend well beyond individual companies.

Bangladesh's ambition to become a higher-income economy will depend not only on domestic entrepreneurship but also on the quality of institutions operating within its borders. Global companies bring decades of experience in building resilient organisations, managing risk and nurturing ethical leadership. Their most valuable investment should therefore not be factories, offices or distribution networks, but institutions that inspire trust, develop capable local leaders and demonstrate that world-class governance can flourish in Bangladesh. That contribution will outlast any balance sheet and become their most enduring legacy.

The writer is an economic analyst.

Oil giants post blowout profits on war

AFP, *New York*

US petroleum giants ExxonMobil and Chevron released blowout profits Friday due to the Middle East war, as executives cautioned that elevated gasoline prices will probably continue to strain consumers.

The US oil giants scored huge profit increases, illustrating that the financial benefits from supply disruptions from the US-Iran war easily offset negative effects at both companies.

ExxonMobil's second-quarter profits more than doubled to $14.5 billion, while Chevron's came in at $12.1 billion, more than five times the level in the year-ago quarter.

But gasoline prices sit above the psychologically important $4 per gallon level, posing political risk to US President Donald Trump ahead of the US midterm elections.

While crude prices are relatively high, executives with the two oil giants emphasized the effects of diminished refinery capacity in the wake of Iran's virtual shutdown of the Strait of Hormuz that has led some plants to shut or reduce runs.

"I wouldn't hold my breath here in the short term," ExxonMobil Chief Executive Darren Woods told CNBC in response to a question about when gasoline prices will fall.

"I think we're going to see prices consistent with what we're experiencing for quite a while yet," said Woods, describing a "disconnect" between crude and gasoline markets distinct from long-term trends.

"We've got to get the Strait opened up and then we've got to resupply the inventories and get things moving," Woods said.

Chevron Chief Executive Mike Wirth described the meager state of motor gasoline inventories as part of broader dearth of refined products supplies that also affects jet fuel and diesel, among other goods.

"We're going to see upward pressure on product pricing here into the third quarter and perhaps beyond that," Wirth told analysts on a conference call.

With revenues of $116 billion, up 42 percent, ExxonMobil pointed to higher oil prices as a factor in its earnings, while emphasizing huge increases in refining margins.

Figures behind the rush for Hormuz oil export alternatives

AFP, *London*

Disruption to shipping through the Strait of Hormuz has prompted oil-producing countries in the Gulf to accelerate plans for alternative export routes, with a series of pipeline projects announced or revived.

Here is a breakdown of the proposals.

REGIONAL PICTURE

A total of 14.95 million barrels per day (mbd) of crude oil was exported through the Strait of Hormuz in 2025, according to the International Energy Agency (IEA).

Iran exported around 1.69 mbd and is expected to continue relying on Hormuz over the long term given its effective control of the waterway, Andrew Wilson of BRS Shipbrokers told AFP.

"Iran is just going to produce as much as it can, ship as much to China as it can. It's not really such an issue," he said.

Of the remaining 13.26 mbd, as much as 11.5 mbd could eventually be rerouted by maximising existing pipeline capacity and completing planned projects, according to official announcements and industry experts.

SAUDI ARABIA

Before the war broke out in late February, Saudi Arabia transported around 2 mbd of crude through its East-West Pipeline linking Abqaiq, near the Gulf coast, with the Red Sea port of Yanbu, according to the IEA.

State oil giant Aramco said in March 2025 it had increased the pipeline's capacity to 7 mbd, leaving up to 5 mbd of spare capacity. Riyadh is also planning a further expansion of up to 2 mbd, according to the US-based Institute for Energy Research (IER).

The IER said it was "unclear" whether this would involve upgrades to the existing line or construction of a parallel pipeline.

The project could potentially be completed by 2030/2031, Wilson told AFP.

UNITED ARAB EMIRATES

Before the conflict, the UAE exported around 1.1 mbd of crude through its Abu Dhabi Crude Oil Pipeline (ADCOP), which links inland oil fields with the port of Fujairah on the Gulf of Oman, bypassing the Strait of Hormuz.

The IEA said the pipeline had a capacity of 1.8 mbd, leaving an additional 0.7 mbd available.

The UAE said in May it was fast-tracking construction of a second pipeline that would run parallel to the existing route before extending to the country's northern coast, allowing crude produced north of Hormuz to bypass the strait.

The project would double export capacity through Fujairah and is expected to enter service next year, according to the Abu Dhabi Media Office.

IRAQ

The US State Department said earlier in July that plans were under way to restore a major pipeline linking Iraq's oil fields with Syria's Mediterranean coast.

Washington is overseeing an international consortium "to execute the technical and financial aspects of this project", which is expected to have an initial capacity of 2 mbd, the department said.

No timetable has been announced, however, and political and investment hurdles risk delaying the project, Wilson warned.

KUWAIT AND BAHRAIN

Neither Kuwait nor Bahrain currently has a pipeline route that bypasses Hormuz.

However, both have recently held discussions with Saudi Arabia on a possible connection to its pipeline network, according to the IER.



Vessels sail at Suru Beach in Bandar Abbas along the Strait of Hormuz. A total of 14.95 million barrels per day of crude oil was exported through the Strait of Hormuz in 2025. PHOTO: AFP/FILE

OpenAI says it has more than 1b active users

AFP, *Washington*

OpenAI announced on Friday that it had surpassed the symbolic milestone of 1 billion active users, less than four years after the launch of its popular chatbot ChatGPT.

"Our models now reach more than one billion active users and more than two million businesses. As people gain confidence in the technology, they use it more deeply," the company said in a blog post.

According to several US media outlets, the San Francisco-based startup had initially expected to reach the milestone earlier this year, after hitting 900 million weekly active users in late February, but faced increased competition from its rivals.

OpenAI was founded in 2015, but did not launch its first consumer product, ChatGPT, until November 2022.

By comparison, it took Facebook six years after launching its social network to reach one billion users.

The figure cited by OpenAI on Friday covers all of its artificial intelligence (AI) interfaces, primarily ChatGPT but also Codex, its model dedicated to AI-assisted programming, as well as ChatGPT Work, a platform that allows users to access other external applications.

Its business customer segment, which generates higher revenue and margins per user, became a priority for the company in late 2025. Since then, it has closed some of the gap with its major rival Anthropic, which focuses on this class of clients.

The emergence of AI agents -- which perform tasks on demand, evaluate their results, and make improvements autonomously -- has sent demand for computing power skyrocketing and caused costs to soar for businesses and developers.