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Star BUSINESS



Factories reopen after riding out worst part of gas crunch

REFAYET ULLAH MIRDHA *and* MONJURUL HAQUE

Workers returned to production lines yesterday as the dials on gas pressure gauges began ticking up across major industrial belts, offering some relief to apparel factories during this peak Christmas shipment season.

"We can run our spinning mills at 60 percent to 80 percent now which was as low as 40 percent last week," said a top official of a large textile and garment group in Gazipur yesterday.

Requesting anonymity, the official said they expect the power supply situation to improve soon as well.

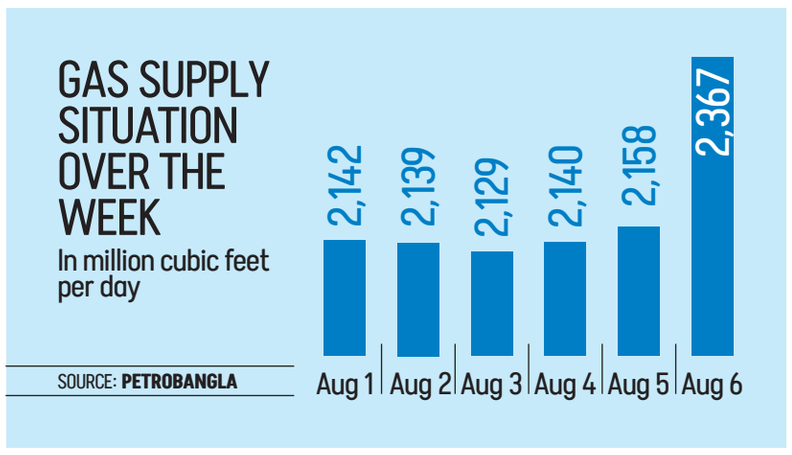
In the third week of July, one of the country's two floating storage and regasification units (FSRUs) was damaged in an accident, cutting the nationwide supply of liquefied natural gas (LNG) by more than 17 percent.

The resulting gas shortage became acute. Households struggled to cook with piped gas, long queues formed at CNG filling stations, and factories cut production or shut down altogether in some areas.

On Wednesday last week, more than 200 small and subcontracting garment factories in Gazipur sent their workers on a three-day leave.

Many other factories in Savar, Ashulia, Kanchpur and Narayanganj, which were also badly affected by the gas shortage, took similar measures.

After about half a month, the FSRU at Cox's Bazar was partly repaired on Thursday. By Friday, the terminal, operated by Excelerate Energy, was able to supply about 115 million cubic feet of gas a day to the national grid, according to Petrobangla.



Mazharul Alam Milon, administrative officer of ABM Fashion Ltd in Gazipur, told The Daily Star that the factory reopened yesterday after a three-day closure.

"Work is continuing in all our sections, and the workers have also turned up as usual. Although the factory is fully operational, we are still facing a gas shortage," he said.

Masud Kabir, managing director of Gazipur-based sweater exporter Motex Fashion, said yesterday that he could now buy two to three lorry loads of gas bottles a day, compared with one lorry load every two to three days last week.

Masud said he buys gas in bottles from nearby CNG filling stations because his factory does not have a direct gas connection.

Mohd Khorshed Alam, chairman of Little Star Spinning Mills Ltd, said his mill was currently running at 60 percent capacity as the gas supply had improved somewhat. However, he said further improvement is needed to meet existing work orders.

Mohammad Amzad Hossain, superintendent of Gazipur Industrial Police (Industrial Police-2), told The Daily Star by phone yesterday afternoon that most factories in Gazipur have reopened.

"The remaining factories will reopen tomorrow [today]," he said.

Mohammad Hatem, president of the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), said the gas supply has improved, but it is too early to say how much factories have recovered.

"It may take a few more days for full operations," he said.

For apparel manufacturers, the disruption comes at a critical time as they work to ship Christmas orders to

READ MORE ON B3

Digital loans up to Tk 5,000 coming for utility bills

MD MEHEDI HASAN

People will soon be able to borrow digitally from banks to pay utility bills and top up their mobile phones. The interest-free loans, ranging from Tk 50 to Tk 5,000, will have to be repaid within 30 days.

There will be no interest on such loans. Banks will instead be allowed to charge a fixed service fee based on the amount, according to a draft policy by the Bangladesh Bank (BB).

The central bank said the facility would help expand digital financial services and promote a cashless economy.

The BB has published the draft for public consultation and feedback. Central bank officials said they would review comments from stakeholders before issuing the final policy.

The maximum service fee will be Tk 5 for loans of Tk 50 to Tk 250. The fee will rise to Tk 10 for loans of Tk 251 to Tk 500, Tk 15 for loans of up to Tk 1,000, Tk 25 for loans of up to Tk 2,000, Tk 35 for loans of up to Tk 3,000, and Tk 50 for loans of Tk 3,001 to Tk 5,000.

Banks will not be allowed to charge any interest, penalty, processing fee or other charge beyond the fixed service fee. Customers who repay their loans before maturity will also not have to pay an early settlement fee.

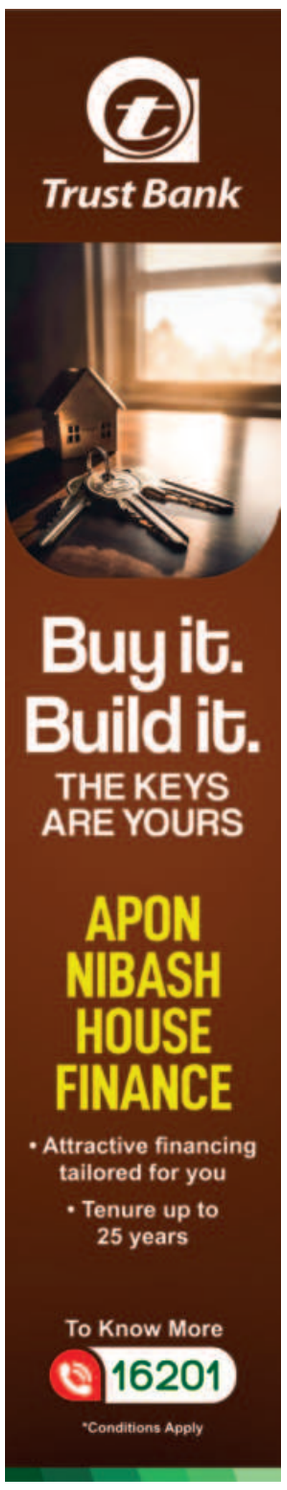
The entire lending process will have to be completed digitally. Instead of physical signatures, banks will have to verify customers through biometric authentication and obtain their consent digitally.

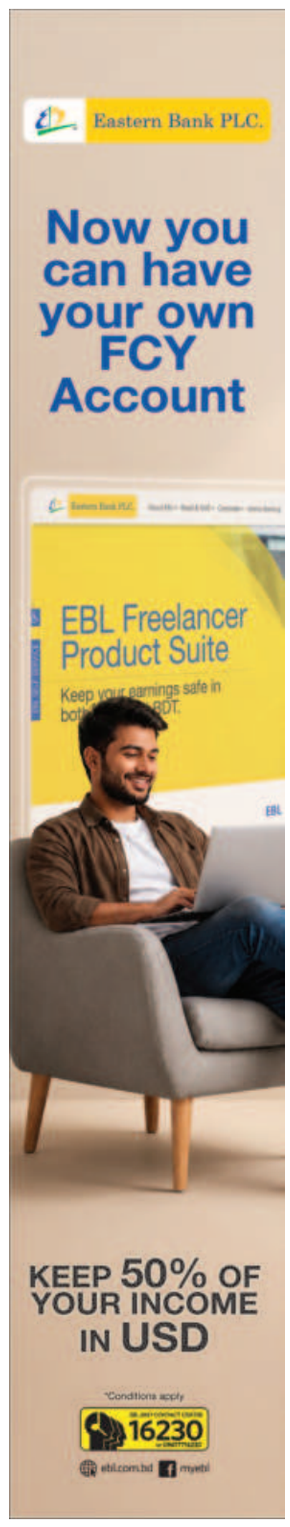
Banks must also verify customers through registered mobile SIMs and one-time passwords, and use two-factor or multi-factor authentication where necessary.

According to the draft, bank agents and third-party service providers will not be allowed to store customer biometric information.

To strengthen cybersecurity and protect customer data, commercial lenders will have to store all customer and loan-related information at data centres located in Bangladesh, in line

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BB targets 1cr Bangla QR payments each day

STAFF CORRESPONDENT, *Ctg*

Bangladesh Bank (BB) is working to increase digital transactions through Bangla QR to one crore a day by the end of the current fiscal year, BB Governor Md Mostaqur Rahman said yesterday.

"Currently, around one crore transactions are made a month. Our target is to increase that to one crore transactions a day within this fiscal year," he said at a workshop on Bangla QR transactions in Chattogram.

The governor said the lack of smartphones and internet access among a large section of the population remains a major challenge. Around six crore people still use feature phones, he said, adding that initiatives are being taken to provide customers with affordable Android smartphones.

Wider use of digital payments would help curb extortion, reduce the risk of counterfeit notes and minimise the risks of carrying cash, Mostaqur said.

Bangladesh spends around Tk 20,000 crore a year on printing money. Greater use of digital payments could help reduce this cost, he added.

The workshop was organised under the Cashless Digital Bangladesh project, which is being implemented through a memorandum of understanding between BB and the International Finance Corporation (IFC).

Speaking at the event, BB Deputy Governor Md Kabir Ahmed said around 24 lakh merchants currently use Bangla QR, with transactions worth Tk 50 crore made through the system every day.

IFC representative Hasan Shahriar said their initial target was 20 lakh transactions a month, but the number had already reached around one crore.

BB gives administrators sweeping powers over troubled banks

STAR BUSINESS REPORT

Bangladesh Bank (BB) has introduced detailed rules for appointing temporary administrators to troubled banks and finance companies, giving them broad powers to protect critical operations, assess financial conditions and facilitate the resolution of failing institutions.

The central bank issued the "Regulations for Temporary Administration under the Bank Resolution Act, 2026" on August 6.

The rules apply to scheduled banks, including digital banks, and finance companies undergoing immediate corrective measures or the resolution process.

Under the regulations, the Bank Resolution Department will nominate one or more qualified persons as administrators or assistants. They may be Bangladesh Bank officials or outsiders, but must have no conflict of interest with the institution concerned.

Neither an administrator nor any family member can be a debtor, creditor, shareholder or other interested party of the institution. If an administrator acquires any direct or indirect financial or other interest after appointment, they must notify the Bank Resolution Department within 24 hours.

Administrators, in consultation with the department, can take measures to keep critical functions running. They may also replace key management personnel and temporarily perform the duties of the chairman, director or chief executive officer, where necessary.

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Govt plans 400-acre industrial park in Bogura

Says commerce minister

STAR BUSINESS REPORT

The government plans to establish a new industrial park on 400 acres of land in Bogura to meet rising demand from small and medium enterprises, Khandakar Abdul Muktadir, minister for commerce, industries and textiles, said yesterday.

Initial work on the proposed park could begin this winter, the minister said at a programme marking the assumption of office by the newly elected board of directors of the Bogura Chamber of Commerce and Industry.

"The existing BSCIC (Bangladesh Small and Cottage Industries Corporation) industrial estate in Bogura is already fully occupied, while demand for industrial plots among SME entrepreneurs continues to rise," Muktadir said.

Considering the demand, the government has planned to establish the new BSCIC industrial park, he said.

He said Bogura had strong potential to emerge as an important industrial and economic hub, particularly in light engineering.

The government is working to improve infrastructure and the business environment to support industrial growth in the district, he said.

Muktadir also stressed the need to increase productivity and reduce the cost of finance to improve the competitiveness of local industries.

Initial work on the proposed park could begin this winter, the minister said at a programme

"It is difficult to run an industry or business successfully with high-cost loans," he said, urging businesses to improve efficiency and productivity while gaining access to cheaper financing.

The government is also working to improve electricity and energy supplies, simplify gas connections and expand access to lower-cost financing, he said.

READ MORE ON B3



Prime Bank clients to get discounts on CA Property flats

STAR BUSINESS DESK

Prime Bank PLC has entered into an agreement with CA Property Development Limited, a real estate company in Bangladesh, to offer discounts on apartment purchases for the bank's customers and employees.

Mamur Ahmed, senior executive vice-president and head of distribution network at the bank, and GM Farhad Sarwar, chief relationship officer of the real estate company, signed the agreement at a programme held recently at the realtor's corporate office in Banani, Dhaka, according to a press release.

Under the agreement, customers and employees of Prime Bank PLC will be entitled to special discounts on the purchase of residential apartments developed by CA Property Development Limited (CPDL).

The initiative aims to provide attractive housing solutions while enhancing the overall customer experience through strategic partnerships.

The agreement reflects the bank's continued commitment to delivering value-added lifestyle benefits and making homeownership more accessible to its stakeholders, the release added.

Joarder Tanvir Faisal, head of cards and retail at the bank; Takiyan Chowdhury, executive vice-president of secured consumer financing and embedded; Eftikhar Uddin Chowdhury, general manager of operations and SCM at the real estate company; and Amjad Hossan, deputy general manager, along with other senior officials from both organisations, were also present at the signing ceremony.



GM Farhad Sarwar, chief relationship officer of CA Property Development Limited, and Mamur Ahmed, senior executive vice-president and head of distribution network at Prime Bank PLC, pose for a photograph after signing the agreement at the realtor's corporate office in Banani, Dhaka recently. PHOTO: PRIME BANK

NRBC Bank organises half-yearly business conference



Md Ali Hossain Prodhania, chairman of NRBC Bank PLC, attends the bank's "Half-Yearly Business Conference 2026" at a hotel in Dhaka yesterday. PHOTO: NRBC BANK

STAR BUSINESS DESK

NRBC Bank PLC yesterday held its "Half-Yearly Business Conference 2026" at a hotel in Dhaka.

All division heads, zonal heads and branch managers of the bank's 109 branches participated in the onference.

Md Ali Hossain Prodhania, chairman of the bank, attended the conference as the chief guest, according to a press release. Addressing the conference, Ali Hossain said ensuring good governance, transparency and accountability at every level is essential to building a sustainable bank.

"We are working towards achieving these objectives. Our foremost responsibility is to ensure the highest level of security for depositors' funds," he said.

He directed branch managers to undertake specific and effective plans to recover classified loans during the remaining period of the year.

He further said that NRBC Bank is currently maintaining a leading position among its peer banks across various performance indicators.

The bank's deposits, operating income and operating profit have continued to demonstrate positive growth, he added.

Md Nurul Haque, chairman of the risk management committee; Muhammad Emdad Ullah, chairman of the audit committee; and Md Abul Bashar, Md Anwar Hossain and Md Shafiqur Rahman, independent directors, attended the conference.

Meghna Bank holds 13th AGM

STAR BUSINESS DESK

Meghna Bank PLC held its 13th annual general meeting (AGM) at Madona Tower on Bir Uttam AK Khandakar Road in the Mohakhali Commercial Area of Dhaka last week.

Uzma Chowdhury, chairperson of the bank, presided over the meeting, according to a press release.

During the meeting, the bank reaffirmed its commitment to enhancing banking services, promoting financial inclusion, contributing to the country's economic development and achieving sustainable growth.

Tanveer Ahmed, chairman of the executive committee of the bank; Md Ali Akther Rezvi, chairman of the audit committee; and Mohammad Mamunul Hoque, chairman of the risk management committee, attended the AGM.

A large number of shareholders joined the meeting from across the country.

Rajab Ali, M Nazrul Islam and Habibur Rahman, independent directors of the bank; Syed Mizanur Rahman, managing director; and Md Jasim Uddin, company secretary, among others, were also present.



Uzma Chowdhury, chairperson of Meghna Bank, attends the bank's 13th annual general meeting at Madona Tower on Bir Uttam AK Khandakar Road in Dhaka last week. PHOTO: MEGHNA BANK

China extends trade boom as global AI tech demand surges

AFP, *Beijing*

Chinese exports and imports soared in July, official data showed Friday, as the manufacturing powerhouse benefits from a global AI boom lifting overseas demand for its tech products.

The world's second-largest economy last year achieved a historic trade surplus of nearly $1.2 trillion, helping its manufacturing sector through a prolonged slump in domestic consumption.

The export boom has been propelled further this year by increased demand for Chinese data-processing equipment and related components, as companies rush to build artificial intelligence capacity.

Exports climbed 23.9 percent year-on-year last month, the General Administration of Customs (GAC) reported, compared with a 23.0 percent forecast by Bloomberg.

Overseas shipments of computers and related parts jumped 45.2 percent on year in the first seven months, the data showed.

"Export and import values remain elevated, helped by soaring global demand for electronics and green tech products," wrote Julian Evans-Pritchard of Capital Economics.

China last year achieved a historic trade surplus of nearly $1.2 trillion, helping its manufacturing sector through a prolonged slump in domestic consumption

China's trade surplus appears to be on pace to match that of last year, reaching $687 billion through the end of July, the data showed Friday.

The yawning gap has increasingly raised eyebrows abroad -- particularly in Europe, where leaders worry about floods of Chinese exports squeezing out local manufacturers.

Beijing has insisted it never deliberately pursued a trade surplus.

The Communist Party's Politburo -- the decision-making body headed by President Xi Jinping -- urged a more "balanced" trade development at a key meeting late last month.

"Export growth continued to support the economy in July," Zhiwei Zhang, president and chief economist at Pinpoint Asset Management, wrote in a note after Friday's data.

"I expect intense negotiations between China and (its) major trading partners in coming months on what can be done to make trade more balanced," he added.

Imports increased 27.5 percent in July, extending this year's strong performance even as main indicators of domestic demand have remained weak.

However, that was slower than the 36 percent surge seen in June, and also missed a Bloomberg forecast of 29.5 percent growth.

The growth has been achieved despite considerable pressure on the global trading system from the war in the Middle East and simmering trade frictions between Beijing and Washington.

Islami Bank arranges meeting with Islamic scholars on Bangla QR

STAR BUSINESS DESK

Islami Bank Bangladesh PLC yesterday organised a discussion meeting with prominent Islamic scholars at a local hotel in Dhaka to increase the use of Bangla QR in religious institutions towards building a cashless Bangladesh.

Mohammad Mohibbullahil Baqee, director general of the Islamic Foundation Bangladesh, addressed the programme as the chief guest, according to a press release.

In his speech, Mohibbullahil said financial transactions have changed in line with technological advancements. Connecting religious institutions to this change is the demand of the time. By using simple and modern digital payment systems such as Bangla QR, religious institutions can conduct financial transactions in a more transparent, secure and orderly manner.

He called upon Islamic scholars and religious leaders to come forward to build a cashless Bangladesh and expand modern, secure and easy digital transaction systems in religious institutions.

Mohammad Zahir Hussain, executive director of Bangladesh Bank and the sole representative of the board of directors of Islami Bank Bangladesh PLC, addressed the programme as the special guest.

Zahir said Bangladesh is gradually moving towards digital transformation. Expanding digital transactions is extremely important to make the country's financial system more modern, accessible and inclusive. Bringing religious institutions under the coverage of Bangla QR will create opportunities to engage a large population in digital transactions.

Md Altaf Hossain, managing director (acting) of Islami Bank Bangladesh PLC, presided over the programme.

Shamsuddin Zia, chairman of the shariah supervisory committee of the bank; Shah Muhammad Waliullah, member of the Bangladesh Bank Shariah Supervisory Board; and Mohammad Zakir Hossain, additional director of the Islami Banking Regulations and Policy Department of Bangladesh Bank, also addressed the programme.

Mohammed Jamal Uddin Mazumder, additional managing director of the bank, and M Kamal Uddin Jasim, additional managing director, along with members of the Shariah Supervisory Committee and senior executives, were also present.



PHOTO: ISLAMI BANK BANGLADESH

Mohammad Mohibbullahil Baqee, director general of the Islamic Foundation Bangladesh, attends a discussion meeting on Bangla QR at a local hotel in Dhaka yesterday.

Dutch-Bangla Bank holds awareness programme on Bangla QR at DU



PHOTO: DUTCH-BANGLA BANK

Md Mostaqur Rahman, governor of Bangladesh Bank, attends an awareness programme on Bangla QR at the MBA Building of the University of Dhaka last week. Prof ABM Obaidul Islam, vice-chancellor of the university, was also present.

STAR BUSINESS DESK

Dutch-Bangla Bank PLC, in association with Bangladesh Bank and the Department of Accounting at the University of Dhaka, organised an awareness programme on Bangla QR for the university's teachers, students, officers and staff at its MBA Building last week to support the vision of building a Cashless and Smart Bangladesh.

Prof ABM Obaidul Islam, vice-chancellor of the university, inaugurated the programme, according to a press release.

Prof Obaidul thanked Bangladesh Bank and Dutch-Bangla Bank for organising the Bangla QR awareness programme. He said the initiative would help raise awareness of digital payments among students and encourage greater adoption of digital financial services.

Md Mostaqur Rahman, governor of Bangladesh Bank, attended the programme and highlighted the importance of Bangla QR in promoting secure, convenient and interoperable digital payments through a single QR code across all banks, mobile financial services (MFS) and other payment service providers.

He said Bangla QR is playing a vital role in advancing a cashless economy and supporting the country's digital transformation.

Md Maksudur Rahman Sarker, professor and chairman of the Department of Accounting at the University of Dhaka, presided over the programme.

Md Ahteshamul Haque Khan, managing director and CEO of Dutch-Bangla Bank PLC, said digital transactions save both time and money.

He emphasised that greater adoption of digital payments and a positive change in mindset would help accelerate Bangladesh's journey towards a digital and cashless economy.

The programme introduced participants to the features and benefits of Bangla QR as an interoperable digital payment system.

Everybody wants energy security

FROM PAGE B4

Australian consumers are also shifting sharply towards electric and hybrid vehicles.

Sales of EVs, plug-in and so-called "mild" hybrids - which have a small battery and electric motor but can't run on electric power exclusively - came close to half of all sales for a second month in July, according to data from the Federal Chamber of Automotive Industries.

Sales of EVs more than tripled in July from the same month a year earlier, while plug-in hybrids surged 157 percent and mild hybrids jumped 206 percent, suggesting consumers are responding to fuel-security concerns.

HYBRID TRANSITION

It may sound like a contradiction, but it's possible that Australia could benefit from pursuing both paths to some degree.

Despite the high costs of building a new refinery, having such a facility would offer some protection from the type of refined fuel crisis the world is currently experiencing.

At the same time, pursuing a hybrid plan could reduce the political cost of the transition, providing the country time to accelerate electrification where it makes economic sense.

This strategy would acknowledge that fossil fuels are likely to be part of the energy mix for at least two more decades, while also working to lower dependence on them.

This is a lesson most energy importers will need to learn, and there are signs that this process is already underway.

For example, Vietnam is adopting policies to boost the domestic production and sales of EVs, but also electric scooters, a major shift given motorbikes are the most popular form of personal transport in the Southeast Asian nation of 102 million people.

Similarly, Indonesia is targeting an all-electric bus fleet by 2045, while also promoting a shift to electric scooters and EVs, and Thailand is providing a subsidy of up to 100,000 baht ($3,020) for purchases of EVs as it is rapidly building public charging infrastructure.

The answer to energy security will vary by nation, but the common theme is the need for diversification - both in where countries source their energy and the types they consume.



Tourists swarm Bholaganj Sada Pathor, a popular tourist spot in Sylhet. Tourism currently contributes approximately 3 percent to Bangladesh's GDP, industry insiders said at a recent event.

PHOTO: SHEIKH NASIR

Travel advisories holding back tourism industry

Collaboration among government and private sector key to improving prospects, industry insiders say

STAR BUSINESS REPORT

Travel advisories issued by Western countries urging their citizens to exercise caution when travelling to Bangladesh remain a major challenge for the country's tourism industry, stakeholders say.

They welcomed recent improvements to travel advisories issued by the US and Japan but emphasised improving the country's overall image and maintaining that progress.

Speaking at the launch of the Travel and Tourism Development Centre (TTDC) in Dhaka, industry representatives discussed ways to realise Bangladesh's potential in this sector.

Travel advisories remain a major challenge because they actively discourage international visitors, said Sadia Haque, an executive committee member of the TTDC and chief executive of online travel platform ShareTrip.

"Bangladesh has a strong story to tell, but we are not communicating that story effectively on the global stage," she added, pointing to institutional bottlenecks, policy gaps, and limited investment as primary obstacles facing the aviation and hospitality sectors.

The warnings come despite recent diplomatic progress. In July 2026, the US Department of State lowered its travel advisory for Bangladesh from Level 3 to Level 2, while Japan eased its warning to Level 1, signalling improving security assessments.

These changes send a positive signal internationally, she mentioned.

Government action alone cannot address all the challenges facing the sector. The government needs to strengthen coordination, implement a national branding strategy, and improve e-visa and visa-on-arrival services, she said.

"Our ultimate goal is to build an integrated travel ecosystem where airports are efficient, airlines are competitive, and visitors enjoy a seamless experience," said Kazi Wahidul Alam, president of the TTDC.

"Achieving this vision requires collaboration among the government, private sector, and investors. By working together, we can unlock Bangladesh's potential, create opportunities for young people, and strengthen the country's global image," Wahidul added.

According to TTDC executive committee member Shahid Hamid, tourism currently contributes approximately 3 percent to Bangladesh's national gross domestic product-- valued at around $10 billion -- and supports over 20 lakh jobs across more than 30 districts.

"These figures demonstrate that tourism is already a significant industry, but much of its potential remains untapped," Shahid said, stressing that private enterprise must drive future expansion.

However, policy experts point to persistent funding imbalances within state budgets. Khondaker Golam Moazzem, research director at the Centre for Policy Dialogue, noted that while the Ministry of Civil Aviation received around Tk 1,800 crore this year, the vast majority was earmarked for local airport infrastructure rather than broader tourism development.

Without stronger private-sector involvement, the sector will not be able to move forward effectively, he stressed. Addressing the country's lack of global promotion, Ashik Chowdhury, executive chairman of the Bangladesh Investment Development Authority, said that Bangladesh has never properly tried to brand itself even though the resources required to do so are available.

"We are talking about an investment of around $8 million to $15 million annually, while the country's Annual Development Programme is around $25 billion and the total annual government budget is around $78 billion. Therefore, the resources can be found to develop and promote a strong national brand."

"This issue is now receiving attention at the highest level. Last Saturday, we held a meeting with the Prime Minister, several ministers, and representatives from the private sector to discuss 'Brand Bangladesh'. We worked through the issues and now have a strategy in place," he said.

In response, Afroza Khanam, Minister for Civil Aviation and Tourism, affirmed the government's commitment to doubling the sector's economic footprint.

"The formation of the National Tourism Council under the leadership of the prime minister -- with the goal of increasing tourism's contribution to GDP from around 3 percent to 6 or 7 percent -- reflects the government's commitment," Afroza said, welcoming the TTDC as a permanent platform for public-private collaboration.

Algeria seeks Bangladeshi investment in manufacturing sector: envoy

STAR BUSINESS DESK

Algeria has sought greater Bangladeshi investment in its manufacturing sector, offering government support to businesses as the two countries look to expand trade and investment ties, Algerian Ambassador to Bangladesh Abdelouahab Saidani said on Friday.

He made the remarks during a visit to the industrial facilities of Max Group, one of Bangladesh's leading conglomerates.

"I see immense potential for expanding business and investment between Bangladesh and Algeria," Abdelouahab said.

The visit focused on strengthening bilateral trade, investment and industrial cooperation.

Accompanied by senior officials from the Algerian Embassy, Abdelouahab held discussions with Max Group Chairman Ghulam Mohammed Alomgir.

Abdelouahab highlighted Algeria's abundant reserves of key industrial raw materials, including steel, natural gas and petroleum, which could be imported competitively by Bangladeshi industries. He also said there are significant opportunities for Bangladeshi manufacturers to export high-quality finished goods to the Algerian market.

Abdelouahab said 22 draft agreements have been formulated between Bangladesh and Algeria, with most in the final stages of signing

The ambassador invited Alomgir to visit Algeria and proposed that Max Group establish a company and manufacturing plant there, assuring full government facilitation.

The support would include assistance with land, utilities and raw materials, as well as a favourable tax regime, he said.

On bilateral cooperation, Abdelouahab said 22 draft agreements have been formulated between Bangladesh and Algeria, with most in the final stages of signing.

He also emphasised the role of the Algeria-Bangladesh Business Forum, comprising business leaders from both countries, in promoting greater trade and investment cooperation.

During the visit, Abdelouahab toured AFA Steel Industries Ltd, which produces springs for various vehicles, and later visited Max Group's stainless steel pipe manufacturing unit, crockery production line and construction materials division.

He showed particular interest in Maxcrete Limited's eco-friendly AAC block manufacturing facility.

Alomgir briefed the ambassador on Max Group's evolution, saying its initial focus four decades ago was import substitution to save foreign currency.

He said the group now plans to shift decisively towards exports, with future investments planned in semiconductors and solar energy, particularly rooftop solar solutions.

Gold hits 7-week high

REUTERS

Gold surged on Friday, hitting its highest in seven weeks, after an unexpected drop in US nonfarm payrolls for July dashed rate-hike hopes and set bullion on course for its best week in seven months.

Spot gold jumped 2.3 percent to $4,336.02 per ounce by 2:42 p.m. EDT (1842 GMT), having risen more than 3 percent to its highest since June 17.

Bullion is set to post its largest weekly rise since January 19, with prices gaining more than 7 percent so far this week.

US gold futures climbed 2.3 percent to settle at $4,399.70.

Nonfarm payrolls in the United States decreased by 23,000 jobs last month after a downwardly revised 20,000 increase in June, the US labor department's Bureau of Labor Statistics said.

Economists polled by Reuters had forecast an increase of 80,000 jobs.

"The weaker-than-expected jobs data presents a scenario where the Fed is going to be less likely to raise interest rates at its next meeting," said David Meger, director of metals trading at High Ridge Futures.

Declining energy prices and a potentially reduced likelihood of US interest rate increase portend to a weaker dollar and stronger gold prices, Meger said.

The rate futures market has now priced in a 43.9 percent chance of Fed tightening in September, compared with 57 percent before the jobs report, according to LSEG data.

The probability that the Fed will hold rates next month rose to 56.1 percent versus 43.2 percent just before the data release.

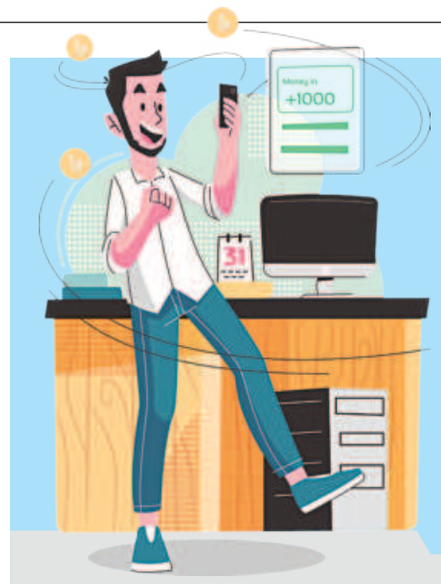
Lower interest rates make gold more attractive relative to yield-bearing assets as bullion does not generate interest.

UBS expects gold prices to climb to $5,000 per ounce in the first half of 2027, it said in a note on Friday.

On the geopolitical front, US President Donald Trump told reporters that he believed the war with Iran would be over soon.

Among other metals, spot silver gained 3 percent to $63.29 per ounce, platinum firmed 1.1 percent to $1,747.60, and palladium rose 0.8 percent to $1,381.61.

All three metals were headed for weekly gains.



AT A GLANCE

Loan amount:
From **Tk 50-Tk 5,000**

Maximum repayment period: 30 days

Interest: **0%**

FEATURES

To be used for
- Utility bills
- Mobile recharge

100% digital process

Now, banks will do

6-month pilot → Evaluation → Board approval → Commercial rollout

Digital loans

FROM PAGE B1

with the BB's cloud computing and cybersecurity guidelines.

For such small loans, real-time checks through the Credit Information Bureau (CIB) have been temporarily relaxed until the BB's API-based 24/7 CIB system becomes fully operational. However, banks must put safeguards in place to prevent loans from being disbursed to defaulters.

Banks will also not be allowed to charge customers a CIB inquiry fee for this product.

Before disbursing a loan, banks must collect information about a borrower's existing loans from other banks, finance companies and mobile financial service providers, where applicable, to comply with the Bank Company Act.

Banks will have to clearly explain the loan amount, repayment period, fees and repayment methods before obtaining customers' consent, as per the draft. Besides, banks will have to take steps to improve customers' financial literacy.

Before launching it commercially, scheduled banks will have to pilot the product for at least six months.

After a successful evaluation, commercial lenders will be allowed to roll out the product after obtaining approval from their respective boards of directors.

Seeking anonymity, a senior central bank official told The Daily Star that City Bank has applied to the BB to introduce the loan product. The application prompted the central bank to prepare a policy that can be used by all banks.

Muhit Rahman, managing director of One Bank, said, "This will be a good move. Our neighbouring countries already have such loan products."

He said the central bank's draft policy is still at a preliminary stage and needs further clarification on issues such as borrower identification, borrower assessment and other operational aspects.

BB gives administrators

FROM PAGE B1

For institutions under immediate corrective measures, administrators must appoint an independent auditor to assess their actual financial condition.

The audited financial statements and report must be submitted within three months of appointment, unless the department sets another deadline.

Within one month of submitting the report, the administrator must also submit a plan to preserve or restore the institution's financial health.

For institutions undergoing resolution, administrators must prepare a list of assets and liabilities and submit it within two months of appointment. Within one month of that submission, they must recommend the most effective resolution option.

The regulations also require administrators to investigate suspected financial crimes through forensic audits. If directors or officials are found to have been involved in offences under the Bank Resolution Act, administrators must take legal action against them, without prejudice to other proceedings.

Administrators must maintain records of all decisions and actions, preserve confidentiality and submit quarterly progress reports to the Bank Resolution Department. At the end of the process, assets and liabilities may be transferred to a new board and management, a bridge bank, a transferee or a liquidator.

A final report on the temporary administration must be submitted within three months of its completion.

Bangladesh Bank will determine administrators' remuneration, while the institution under administration will bear all related expenses, subject to conditions set by the central bank.

The regulations also require Bangladesh Bank to publish notice of an administrator's appointment on its website and that of the institution concerned, as well as in one widely circulated Bengali and one English national daily, by the next working day.

The new rules repeal the temporary-administration provisions under the Regulations for Bank Resolution, 2025, but actions already taken under those provisions will be deemed to have been taken under the new regulations.

Factories reopen

FROM PAGE B1

Western markets. Delays could force them to use costly air freight or offer discounts to compensate foreign buyers.

"The company will have to face the expensive air shipment or big discounts from the foreign buyers," said the senior official of the Gazipur-based textile and apparel group.

BGMEA Vice President Shehab Udduza Chowdhury said gas supplies have improved since Thursday but remain inadequate.

"Still, we have to run the factories with diesel generators for at least four hours, for which the cost of production is increasing," he told The Daily Star over the phone.

Nazma Akter, president of the Sommilito Garments Sramik Federation, said some garment factories remained closed for as long as five days, but the situation has started to improve.

She urged the government to give priority to supplying gas to mills and factories, saying millions of workers and shipments of goods depended on the industry.

Md Towhidur Rahman, president of the Bangladesh Apparels Workers Federation, also urged the government to monitor gas supplies at the factory level so that it could take appropriate measures.

Govt plans

FROM PAGE B1

The proposed industrial park will offer more than industrial plots and basic infrastructure, Muktadir said. It will also provide technical training, skills development and other support for entrepreneurs to establish and operate factories.

Entrepreneurs setting up factories in the park will also be eligible for relatively low-cost loans under the government's credit wholesaling scheme, he added.

Earlier, Muktadir visited the proposed site of the industrial park in Fapore union of Bogura Sadar upazila.

Sheikh Robiul Alam, minister for road transport and bridges, inaugurated the chamber's programme, while Mir Shah Alam, state minister for local government, rural development and cooperatives, attended as a special guest.

MSM Atikur Rahman Badal, president of the Bogura Chamber of Commerce and Industry, delivered the welcome address.

The newly elected directors were introduced at the event, followed by discussions on their responsibilities, future plans and the expansion of services for the local business community.

Oil rises on uncertainty over war

REUTERS, *Houston*

Brent crude oil climbed more than $1 a barrel on Friday over ongoing uncertainty about the negotiations in progress that determine control of, and reopen, the key shipping artery of the Strait of Hormuz.

Brent crude futures settled at $83.55 a barrel, gaining $1.06, or 1.3 percent. West Texas Intermediate futures finished at $78.18 a barrel, up 89 cents, or 1.15 percent.

Oil futures settled more than $3 a barrel higher on Thursday as Iran reviewed a bill to ban US and Israeli vessels from the Strait of Hormuz, through which roughly a fifth of the world's oil and liquefied natural gas normally passed before the war began at the end of February.

Oil prices fell earlier in the week as a possible solution to the conflict looked more likely, part of an on-again, off-again pattern that has persisted since the US and Israel jointly struck the nation in late February, igniting a conflict that has now stretched into a sixth month.

Brent crude futures settled at $83.55 a barrel, gaining $1.06, or 1.3 percent

Brent was on course for a weekly loss of more than 8 percent, while WTI lost more than 7 percent.

While this week's signals on a potential deal have sent a roller-coaster ride in market sentiment, the market remains in the dark as to what needs to happen for the agreement to be clinched, said Vandana Hari, founder of oil market analysis provider Vanda Insights.

"The market is trying to assess if an Iran-Oman agreement would allow a US-flagged vessel to transit the Strait of Hormuz," said Andrew Lipow, president of Lipow Oil Associates.

"Would it allow a US-owned vessel to go through? Would it allow a vessel headed for a US port to go through?"

Both Iran and Oman are said to have agreed on the route ships would take through the strait, which lies between their two countries. It is unclear if the US will agree to these terms.

Analysts also said that this week's developments have signalled that hostilities between Iran and the US are not yet over.

Iran is seeking fees of between 5 percent and 7 percent of the price of cargoes from ships using the strait, a senior Iranian official said.



Public sector demand for locally manufactured prefabricated steel, like the one seen in this photo, has dropped by nearly 90 percent, according to industry insiders.

PHOTO: STAR/FILE

Local prefabricated steel industry hits demand slump

JAGARAN CHAKMA

Bangladesh's prefabricated steel industry faces a severe downturn driven by a sharp contraction in public infrastructure spending, sluggish private investment, and rising competition from duty-free imports, executives said.

Prefabricated steel structures -- pre-engineered components assembled on-site -- are heavily used across commercial and industrial projects. However, demand has collapsed alongside a broader national development slowdown.

Implementation of Bangladesh's Annual Development Programme fell to a 53-year low in fiscal year 2025-26, with authorities executing just 67.52 percent of the revised budget.

Public sector demand for locally manufactured prefabricated steel has dropped by nearly 90 percent, according to Md Sarwar Kamal, managing director of McDonald Steel Building Products Ltd.

Industry insiders estimate the domestic market at Tk 4,000 crore, with industrial projects accounting for 80 percent of demand, followed by commercial (15 percent) and residential (5 percent) construction.

Despite a government directive mandating local construction materials in public projects, industry officials allege foreign-funded developments continue to import finished steel duty-free.

"This creates a serious disadvantage for local investors," Sarwar said.

Foreign suppliers are often able to bring finished structures into the country under duty-exempt arrangements, undermining local producers, he added.

In response to the market imbalance, McDonald Steel has urged the National Board of Revenue (NBR) to either offer concessional customs duties on imported raw materials used in structural steel production or levy equivalent duties on imported finished components.

"This policy does not support the growth of the local prefabricated steel structure industry," Sarwar stressed.

He emphasised that the duty disparity is especially damaging given the substantial capital domestic firms have already invested in modern manufacturing plants, machinery, advanced technology, and workforce training.



Local producers have demonstrated the capacity to meet international standards and have previously supplied major national infrastructure projects, according to Sarwar.

Local manufacturer Tiger Steel invested roughly Tk 180 crore in 2021 to build a facility in Bhaluka, Mymensingh, anticipating a surge in industrial expansion.

However, the fallout from the Russia-Ukraine war, a weakening domestic economy, dollar shortages, and subsequent political instability severely disrupted those growth plans. New investment largely dried up, driving demand for industrial construction materials down to near zero.

"I am looking for a buyer for the factory because it has become a burden for me," said Liton Kumar Sharma, managing director of Tiger Steel.

Liton noted that the plant is currently operating at no more than 15 percent of its capacity, forcing the company to slash its workforce from 250 to approximately 110 employees amid slim prospects for a near-term market recovery.

The factory's retrenchment underscores a broader vulnerability across the sector: when industrial investment slows, demand for prefabricated steel falls in tandem.

The downturn has impacted major producers across the board, though some market segments show signs of resilience.

PEB Steel is currently operating at roughly 60 percent of its production capacity after industrial orders dropped by about 20 percent, according to Jowher Rizvi, managing director of the company and president of the Steel Building Manufacturers Association of Bangladesh.

To adjust, the firm has cut operations from two shifts to one, producing around 2,000 tonnes of steel structures per month.

While Jowher characterised the slowdown as a reflection of broader economic cooling rather than a critical failure, he noted that investment decisions typically pause ahead of the national budget as businesses await policy clarity on taxes and duties.

He also criticised the misuse of duty-free import privileges by some companies operating in Export Processing Zones (EPZs) and special economic zones, alleging that surplus duty-free steel enters the domestic market to unfairly compete with local makers.

Despite weaker orders, Jowher said his company would survive, although business "could have been much better."

Meanwhile, certain players are tapping into alternative sources of demand. Steelpac, an Energypac concern, is reporting steady order inflow driven primarily by defence infrastructure and solar energy developments.

The firm, which holds an annual production capacity of around 15,000 tonnes, is currently producing about 800 tonnes a month and executing a 2,500-tonne contract at the Rajendrapur Cantonment. Almoy Biswas, chief engineer at Steelpac, said rising inquiries from defence authorities and prospective utility-scale solar projects are expected to generate additional momentum.

South Korea CEPA and the next agenda

MAMUN RASHID

Every stage of economic development demands a different policy mindset. For Bangladesh, graduation from the LDC category is one such defining moment. It is recognition of steady progress over the past five decades, but also the beginning of a more competitive era. The preferential market access that has long supported the country's export growth will gradually diminish, requiring Bangladesh to compete increasingly on productivity, innovation and investment rather than preferential treatment.

It is in this context that Bangladesh's Comprehensive Economic Partnership Agreement (CEPA) with South Korea deserves attention. This is not simply another trade agreement. It reflects a broader transition in Bangladesh's economic strategy -- from depending on unilateral trade preferences to building long-term partnerships centred on investment, technology, services and industrial collaboration.

South Korea is among the world's most advanced industrial economies, importing over $600 billion worth of goods annually. Yet Bangladesh exports only around $600 million to this market, with nearly 90 percent consisting of RMG. That figure speaks not only of the strength of Bangladesh's apparel industry but also of the limited diversification of its exports.

The significance of CEPA therefore lies in its ability to reshape that relationship. Once implemented, 8,428 Bangladeshi products will enjoy preferential access to the Korean market. Besides garments, sectors such as leather and footwear, pharmaceuticals, home textiles, processed food, jute-based sustainable products, engineering goods and ICT-enabled services are well positioned to expand.

Yet reducing tariffs is only one dimension of the agreement. Unlike a traditional Free Trade Agreement, CEPA extends to investment, trade in services, digital commerce, customs cooperation, intellectual property and the movement of professionals.



South Korea is already one of Bangladesh's largest foreign investors, with more than 200 Korean companies operating across manufacturing, ICT, infrastructure and other sectors. Vietnam's experience offers a telling example. Its emergence as a manufacturing powerhouse was driven not merely by market access but by sustained Korean investment, technology transfer and integration into global supply chains. Bangladesh possesses many of the same fundamentals -- a young workforce, competitive production costs and growing industrial capability. Whether these advantages translate into higher investment will depend less on the agreement itself than on the country's investment climate.

That brings the discussion back to domestic reforms. Trade agreements can open markets, but they cannot eliminate structural bottlenecks at home. Investors continue to assess Bangladesh through the reliability of its energy supply, the efficiency of its ports, the predictability of regulations and the speed of customs clearance. These challenges have been discussed for years. Bangladesh can no longer afford to postpone addressing them if it wants to remain competitive. Export diversification is an imperative.

Equally important is the need to rethink Bangladesh's export strategy. The next phase of development will require greater investment in technology, skills, research and higher-value manufacturing. Export diversification is no longer a desirable objective. It has become an economic imperative.

Viewed through this lens, the Bangladesh-South Korea CEPA is not the destination but the beginning of a new chapter. Agreements can create opportunities, but they cannot guarantee outcomes. Whether this partnership becomes a milestone in Bangladesh's economic transformation or merely another signed document will ultimately depend on the choices made at home. Competitiveness, not concessions, will define the country's next stage of development.

While we thank the commerce ministry for its efforts in this process, we also urge it to pursue possible free trade agreements with large trading partners, including the European Union.

The writer is an economic analyst

Everybody wants energy security post the Iran war, but how?

REUTERS, *Launceston*

The lasting legacy of the Iran war will likely be a renewed impetus for energy-importing nations to lessen their dependence on fossil fuels.

The big question for these countries is how to accomplish this in a cost-effective, politically acceptable way that does not create new vulnerabilities.

This is no easy feat.

The debate is often framed along left- and right-wing political fault lines.

Progressives typically say the conflict underscores the need to accelerate the transition to renewables and electric vehicles (EVs), while conservatives argue it shows the need to develop more fossil fuel production outside the Middle East.

The Iran war, launched by the US and Israel on February 28, has effectively closed the Strait of Hormuz.

The narrow waterway previously carried close to 20 percent of global crude, refined products and liquefied natural gas (LNG).

Markets are still pricing in an eventual reopening of the strait, but the risks around the movement of crude and fuel from the Gulf have shifted in the past five months, as Iran is likely to end up with some form of control over vessel movements through the chokepoint.

For fuel-importing nations, the Iran war is the second crisis in four years.

Russia's 2022 invasion of Ukraine caused prices for crude, fuel, LNG and thermal coal to spike globally amid fears that exports from Russia would be curtailed.

The status quo is clearly no longer acceptable, so the question is how energy security can be achieved moving forward.

Australia - the world's leading diesel importer - offers a prime example of the dilemma facing fuel importers.

Should the country revive its oil refining industry decades after shutting most of its plants down, or should it accelerate electrification to cut its reliance on imported fuels?

The answer is complex and offers some far-reaching lessons.

REFINERY IDEA

Australia relies on imports for about 80 percent of its liquid fuel needs.

Its eight refineries operating at the start of the century have been reduced to just two - both relatively small, with processing capacities of just over 100,000 barrels per day (bpd) each.

The country imported about 861,000 bpd of light and middle distillates in 2025, with diesel accounting for about 60 percent of that, according to data from commodity analysts Kpler.

The threat of ongoing supply disruptions and sharply higher prices led Australia's government to recently announce an A$4 million ($2.8 million) pre-feasibility study for a new oil refinery.



An aerial view of oil storage containers near the Chevron Pasadena Refinery in Texas.

PHOTO: AFP/FILE

If built, it would be the first such plant in 60 years.

The basic plan is to build a plant in Western Australia to supply both the mining and agricultural sectors.

The state, which is nearly five times the size of France but home to just 3 million people, imports around 200,000 bpd of light and middle distillates, according to Kpler.

The new refinery was proposed by fertilizer and urea maker Perdaman, which has described the plant as a "game changer for Australian fuel security."

That might be true, but the question is who would pay for it.

A modern, economically viable refinery requires a capacity of at least 300,000 bpd.

It would also have to be complex enough to turn crude into mainly light and middle distillates, as there is little demand for residual fuels.

A similar-sized plant being built in Ghana is estimated to cost around $12 billion, and would likely cost substantially more in Australia given higher labour and land charges.

Any new plant would also need crude offloading and product export capability, as well as storage tanks capable of holding 90 days of crude imports as a strategic reserve.

While it's entirely possible to build such a refinery, the question is whether the cost is worth it, especially since it doesn't exactly deliver fuel security.

It would instead shift reliance from imported products to imported crude.

ELECTRIFY EVERYTHING

Would it instead be better to encourage mining companies and farmers to electrify their operations?

Fortescue Metals Group is doing just that, a move that Australia's third-biggest iron ore miner says is already paying dividends.

Data from clean energy website Renew Economy shows that Fortescue's adoption of electric mining vehicles and renewable electricity generation provides a net annual benefit of A$1.2 billion ($840 million) over using diesel and natural gas power generation.

It's not just miners and farmers that may benefit from going electric.

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