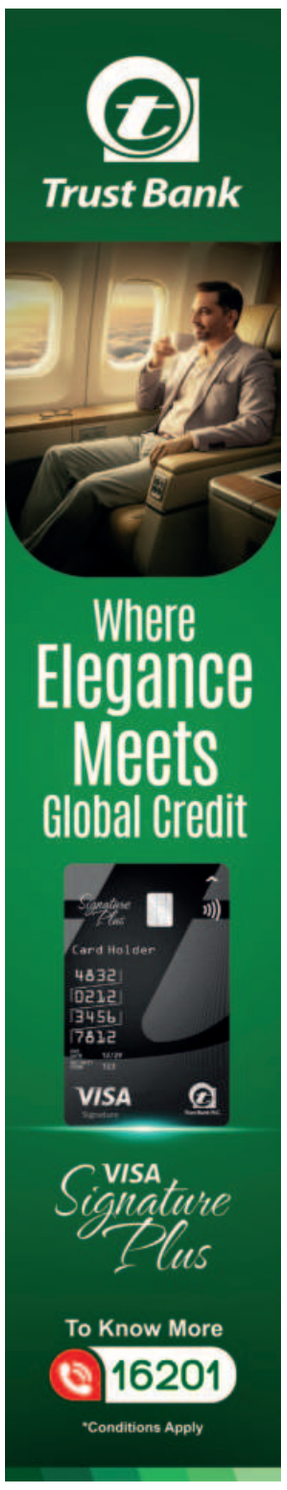
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Business



B3

OLYMPIC INDUSTRIES TO BUY MORE LAND IN NARAYANGANJ



Sonali Bank lends Tk 7,000cr to National Bank with BB guarantee

STAR BUSINESS REPORT

State-owned Sonali Bank PLC has lent Tk 7,000 crore to financially distressed National Bank PLC to help the private lender meet customers' withdrawal demands.

The Bangladesh Bank has provided a 100 percent guarantee for the three-month loan, Md Shawkat Ali Khan, managing director of Sonali Bank, confirmed to The Daily Star yesterday.

The loan carries an interest rate of 10 percent, he said, adding that the transaction had been completed.

"We face no risk here because Bangladesh Bank is providing the guarantee," Shawkat said, explaining that if National Bank fails to repay the loan within the stipulated period, the central bank will repay Sonali Bank.

He expressed hope that the funds would help restore depositors' confidence but stressed that National Bank must use the money for the intended purposes.

"The National Bank needs to use this money properly. It must be utilised for the right purposes," he said.

Prof Melita Mehjabeen, chairman of National Bank, said the bank was preparing to resume full banking services on October 15, allowing customers to withdraw their deposits. The bank has already started taking withdrawal requests as part of its preparations to restore customer services.

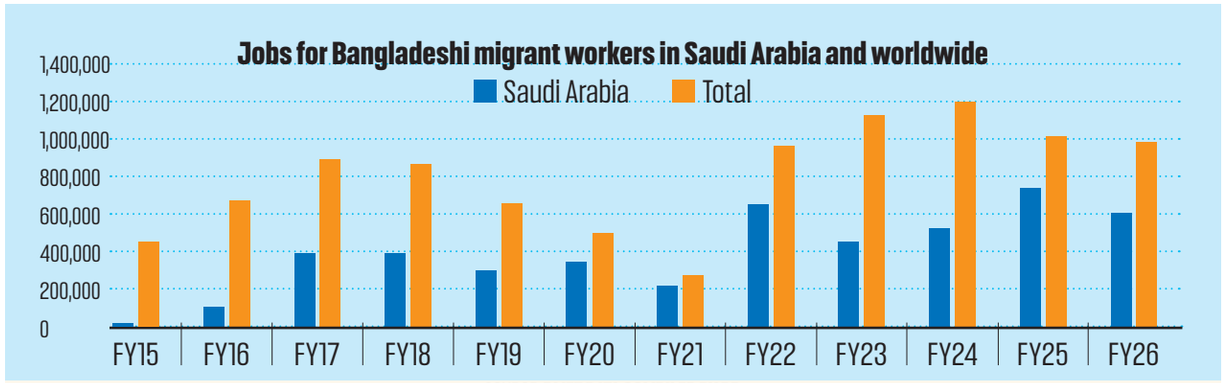
It had received nearly 7,000 requests as of yesterday, Melita said.

"We are making arrangements to ensure that funds reach every branch by tomorrow. From the day after tomorrow, we will try to provide services to all our customers," she said.

National Bank's top executives had met Bangladesh Bank Governor Md Mostaqur Rahman to seek support last week. The central bank assured the lender of liquidity assistance to help it repay depositors.

READ MORE ON B3

What attacks on Saudi Arabia mean for Bangladesh's economy



SOURCE: **BMET DATA COMPILED BY BB**

Key points

- Saudi remittance: $6b
- Total remittance in FY26: $36b
- Saudi share of remittances: 16%
- Exports to Saudi Arabia in FY26: $340m

JAGARAN CHAKMA

The country's remittances, energy and fertiliser imports, and exports face fresh risks as Yemen's Iran-backed Houthis fire ballistic missiles and drones at Saudi Arabia.

Trade leaders, manpower exporters and economists say the escalation, which comes as the US-Israeli war on Iran widens amid stalled diplomacy, exposes the economy to the risk of a fresh external shock.

Since fiscal year 2014-15, the Kingdom of Saudi Arabia has employed around half of the 96 lakh Bangladeshis who went abroad for work. So, the attacks put Saudi jobs at risk and, in time, the country's overall remittance inflow.

Ali Haider Chowdhury, former secretary-general of the Bangladesh Association of International Recruiting Agencies (BAIRA), said that a prolonged conflict centred on Saudi Arabia could delay recruitment, raise migration costs and weaken demand for workers.

"At least 800,000 Bangladeshis travel to Saudi Arabia for work each year, and any slowdown would hit prospective migrants and the families who depend on their earnings," he said.

Of the 969,000 workers who went abroad in fiscal year 2025-26, Saudi Arabia hired more than 600,000, over 60 percent of the total. Remittances provide the foreign exchange the country needs to meet external payments, including for imports, and Saudi Arabia accounted for the largest share last year, at 16 percent.

In the July-September period this year, Bangladeshi workers in Saudi Arabia sent home nearly $2 billion, almost one-fifth of the total, according to the Bangladesh Bank.

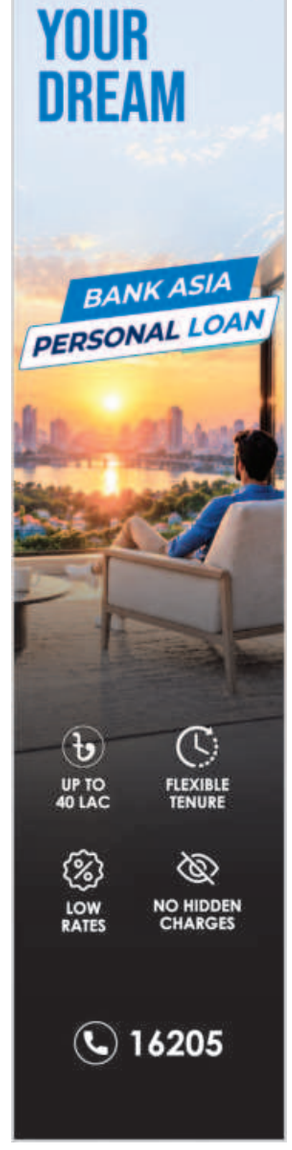
After the latest Houthi attacks on the Kingdom, Ali Haider said that they were yet to see any impact on remittances. "It would take a few months to assess the consequences," he said.

The Gulf and the wider Middle East employ more than three-quarters of the country's migrant workers. The Iran war and its spillover across the Gulf have already left millions of Bangladeshi workers in the region uncertain about their future.

Fewer Bangladeshis have been leaving for work in the region since the war broke out in February this year.

This week the Houthi attacks disrupted at least 61 flights from Dhaka airport to the Kingdom, affecting at least 8,381

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Green energy shift needs private, foreign financing

SANEM's Selim Raihan says at policy dialogue

STAR BUSINESS REPORT

Economist Selim Raihan has called for greater involvement of the private sector and international partners, including global buyers and investors, in financing Bangladesh's green energy transition and supporting green growth. He made the remarks at a policy dialogue in Dhaka yesterday.

Bangladesh needs $230 billion between 2023 and 2050 to adapt to climate change, but the required funding has yet to be secured, said Raihan, a professor of economics at the University of Dhaka and executive director of the South Asian Network on Economic Modeling (SANEM).

Mobilising such a large amount would be challenging, making private investment and international financing

Bangladesh needs $230 billion between 2023 and 2050 to adapt to climate change, but the required funding has yet to be secured, Selim Raihan said

essential to meeting the country's climate goals and supporting the transition to cleaner energy, he said.

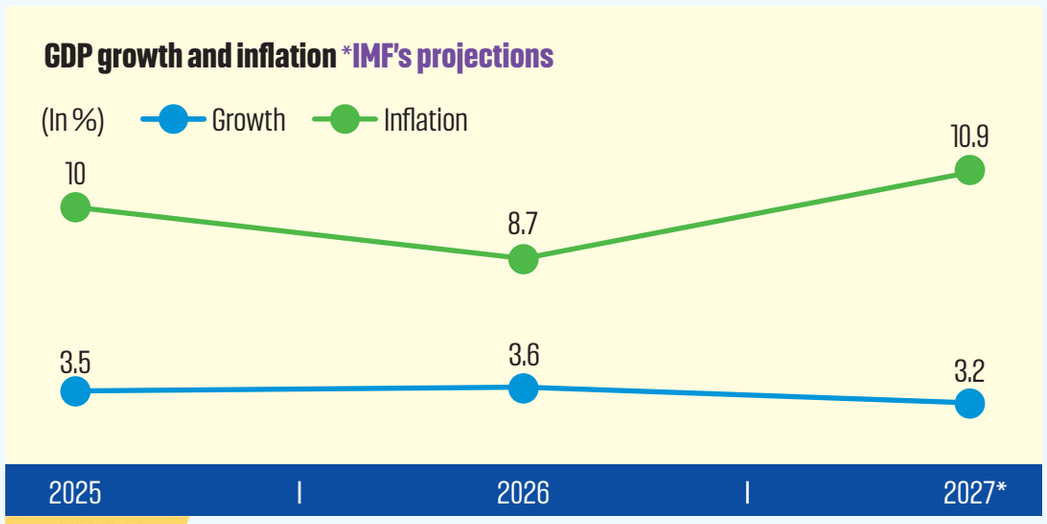
Selim made the remarks while presenting a keynote paper at SANEM's policy dialogue titled "Can Green Growth Drive Bangladesh's Next Phase of Development?" at the Sheraton Dhaka in the capital.

Businesspeople, economists and government officials attended the event, where discussions also focused on rooftop solar integration, grid stability, battery storage and disposal, and financing green growth through green bonds and carbon markets.

Monzur Hossain, member (secretary) at the General Economics Division of the Bangladesh Planning Commission, said the government was focusing on generating solar electricity from rooftops, particularly in areas along riverbanks.

However, integrating rooftop solar power into the national grid could create instability and imbalances, he said. Establishing isolated grids in some areas could be one solution, and work was underway to address the challenges.

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SOURCE: **IMF**

IMF cuts Bangladesh growth outlook, raises inflation forecast

Downgrade comes after WB, ADB lower forecast

REJAUL KARIM BYRON *and* MD MEHEDI HASAN

The International Monetary Fund (IMF) has cut its economic growth forecast for Bangladesh in the current fiscal year (FY2026-27) to 3.2 percent from the 4.3 percent projected in April, joining other major development partners in downgrading their outlooks amid persistent economic challenges.

It also projected an increase in average inflation in Bangladesh to 10.9 percent in the current fiscal year, reversing the easing seen in FY26, when average consumer price inflation fell to 8.7 percent from double digits, according to the IMF's World Economic Outlook (WEO) report released yesterday at the annual meetings of the IMF and World Bank Group in Bangkok.

The IMF's inflation projection is higher than the World Bank's forecast of 8.6 percent for the current fiscal year, FY27, made earlier this month. However, both multilateral lenders have cut their economic growth forecasts for the South Asian country.

The World Bank has recently revised down its forecast for Bangladesh's economic growth to 3.4 percent this year, while the ADB trimmed its growth projection for Bangladesh to 4 percent in September.

It would be the fourth consecutive year of slowing economic growth, as energy shortages, banking sector vulnerabilities, subdued credit growth and tight fiscal constraints continue to weigh on Bangladesh's economy.

The downgrade in the economic outlook for the South Asian economy comes as the IMF expects the global economy to grow by 3.1 percent in 2026, down from 3.5 percent last year, with the war in the Middle East and a surge in artificial intelligence-related investment pulling economies in different directions.

It projects that advanced economies will grow by 2.1 percent this year and emerging and developing economies by 3.7 percent. The Middle East and Central Asia region is expected to be the hardest hit, contracting by 0.3 percent.

In South Asia, India is projected to grow by 7 percent in both FY27 and FY28, among the fastest rates in the region. Pakistan's economy is projected to expand by 3.6 percent in FY26 and 3.5 percent in FY27.

The IMF said the global outlook masks growing disparities, with 32 economies expected to account for 95 percent of global growth, down from 54 in April. About 47 percent of economies have had their growth forecasts downgraded.

Countries less exposed to the energy shock and more closely connected to the technology supply chain are holding up better, it said.

Energy-importing economies outside that supply chain, including many low-income countries, face higher import bills, currency pressures and weaker incomes. The IMF said oil prices will average

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SPOTLIGHT

BSEC tightens dividend rules for listed firms

STAR BUSINESS REPORT

The Bangladesh Securities and Exchange Commission (BSEC) has decided to tighten compliance with dividend distribution rules by requiring listed companies to keep declared cash dividends in separate bank accounts to prevent their misuse.

It has also decided to simplify the process of reappointing independent directors.

The decisions were taken at a commission meeting chaired by BSEC Chairman Masud Khan, according to a press release issued yesterday.

Under existing directives, listed companies declaring annual or final cash dividends must deposit the full amount in a separate dividend account at least one day before their annual general meeting (AGM).

They must also obtain a bank certificate confirming the deposit. The certificate must be certified by the managing director, chief financial officer and company secretary before being presented at the AGM and submitted to the stock exchanges.

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Govt to review Saint Martin's tourism rules

STAR BUSINESS REPORT

The government will reconsider the duration of the tourism season, the daily visitor limit and the departure point for tourist ships to Saint Martin's Island, Environment, Forest and Climate Change Minister Abdul Awal Mintoo said on Monday.

The review will take into account the island's environment and biodiversity, tourist safety and transport management, he said while chairing an inter-ministerial meeting at the Secretariat.

The island was closed to tourists for nine months from February 1 this year as part of conservation measures to protect its fragile ecosystem and biodiversity. The previous tourism season ended on January 31, with tourism scheduled to resume on November 1.

Monday's meeting discussed tourism management for the 2026-27 season, including visitor numbers, overnight stays and measures to protect the island's environment.

Under a notification issued on October 22, 2025, tourists can visit the island during the day in November but must return the

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