Business

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State banks get MDs from private sector after 20 years

STAR BUSINESS REPORT

The government has appointed private-sector executives to lead Janata and Agrani banks for the first time in 20 years, following a recent relaxation of eligibility criteria for chief executives of state-owned lenders.

In four separate letters issued yesterday, the Financial Institutions Division (FID) of the Ministry of Finance appointed managing directors (MDs) to Agrani, Janata and BASIC banks and reinstated the incumbent head of Sonali Bank.

Md Mahbub Alam, former additional managing director of Southeast Bank, has been appointed MD of Janata Bank, while Noor Mohammed, former deputy managing director of Jamuna Bank, will lead Agrani Bank.

Before them, Syed Abu Naser Bukhtear Ahmed, a former MD of Janata Bank, was the last private-sector executive appointed to lead a state-owned bank, in 2004

Before them, Syed Abu Naser Bukhtear Ahmed, a former MD of Janata Bank, was the last private-sector executive appointed to lead a state-owned bank, in 2004, during the previous term of the BNP-led government.

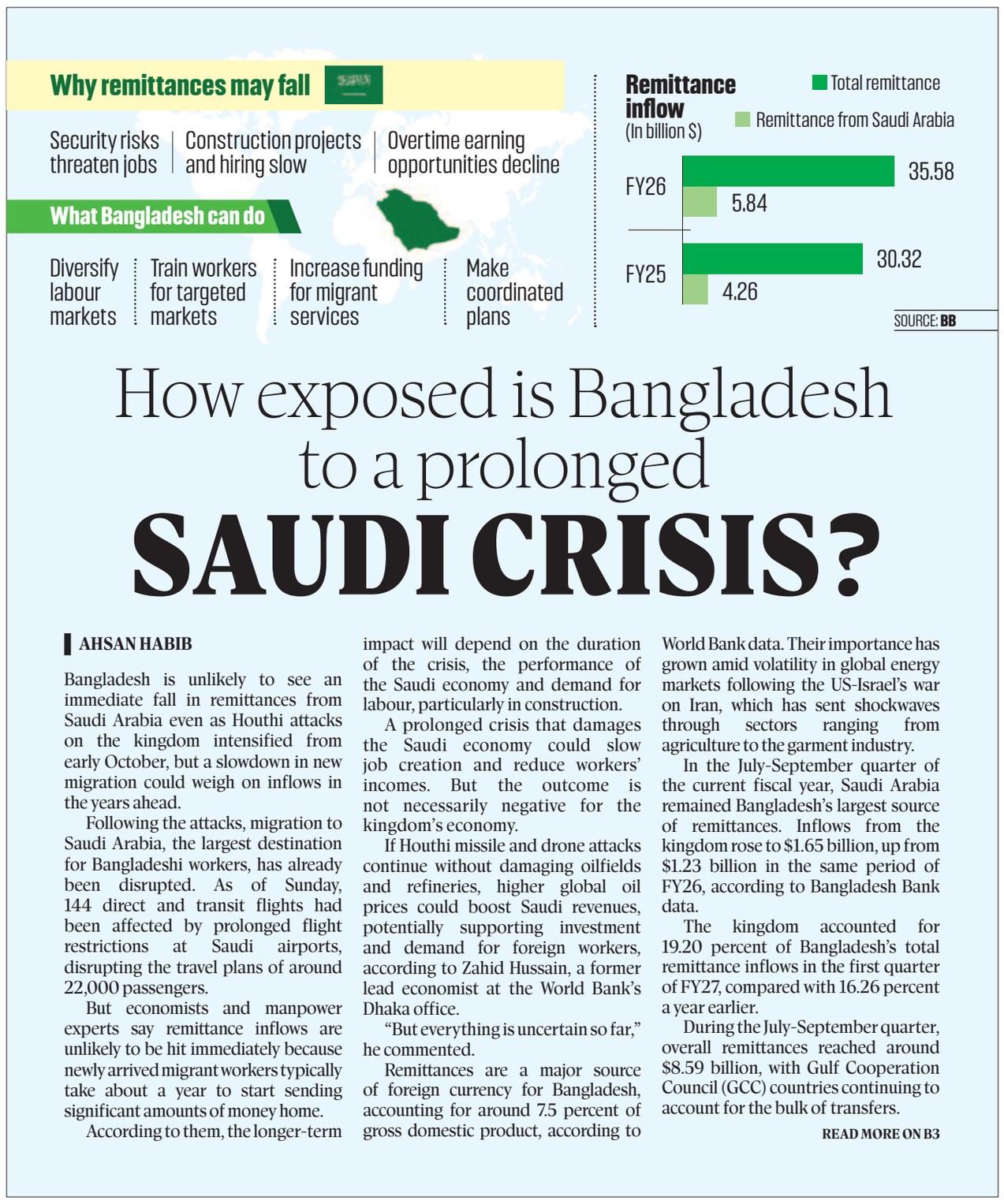
The FID has also appointed Md Nurul Huda, a former deputy managing director of Janata Bank, as MD of BASIC Bank.

Meanwhile, Shawkat Ali Khan has been reinstated as MD of Sonali Bank after the government reversed its earlier decision to cancel his appointment. He will complete his existing three-year tenure, which expires in October 2027.

The three other appointees will serve three-year terms on a contractual basis.

The appointments follow a broader reshuffle at state-owned banks. Last week, the government

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How exposed is Bangladesh to a prolonged SAUDI CRISIS?

AHSAN HABIB

Bangladesh is unlikely to see an immediate fall in remittances from Saudi Arabia even as Houthi attacks on the kingdom intensified from early October, but a slowdown in new migration could weigh on inflows in the years ahead.

Following the attacks, migration to Saudi Arabia, the largest destination for Bangladeshi workers, has already been disrupted. As of Sunday, 144 direct and transit flights had been affected by prolonged flight restrictions at Saudi airports, disrupting the travel plans of around 22,000 passengers.

But economists and manpower experts say remittance inflows are unlikely to be hit immediately because newly arrived migrant workers typically take about a year to start sending significant amounts of money home.

According to them, the longer-term impact will depend on the duration of the crisis, the performance of the Saudi economy and demand for labour, particularly in construction.

A prolonged crisis that damages the Saudi economy could slow job creation and reduce workers' incomes. But the outcome is not necessarily negative for the kingdom's economy.

If Houthi missile and drone attacks continue without damaging oilfields and refineries, higher global oil prices could boost Saudi revenues, potentially supporting investment and demand for foreign workers, according to Zahid Hussain, a former lead economist at the World Bank's Dhaka office.

"But everything is uncertain so far," he commented.

Remittances are a major source of foreign currency for Bangladesh, accounting for around 7.5 percent of gross domestic product, according to World Bank data. Their importance has grown amid volatility in global energy markets following the US-Israel's war on Iran, which has sent shockwaves through sectors ranging from agriculture to the garment industry.

In the July-September quarter of the current fiscal year, Saudi Arabia remained Bangladesh's largest source of remittances. Inflows from the kingdom rose to $1.65 billion, up from $1.23 billion in the same period of FY26, according to Bangladesh Bank data.

The kingdom accounted for 19.20 percent of Bangladesh's total remittance inflows in the first quarter of FY27, compared with 16.26 percent a year earlier.

During the July-September quarter, overall remittances reached around $8.59 billion, with Gulf Cooperation Council (GCC) countries continuing to account for the bulk of transfers.

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Govt wants $1b Korean budget support to tackle energy shocks

JAGARAN CHAKMA

The government is looking to secure $1 billion in budget support from South Korea to help manage the economic fallout from prolonged unrest in the Middle East, as rising energy costs put pressure on public finances and foreign exchange reserves.

The loan is expected to be sought for the ongoing fiscal year 2026-27 under a programme-based policy loan financed through Korea's Economic Development Cooperation Fund (EDCF), according to a Finance Division proposal seen by The Daily Star.

Such loans typically support policy reforms and institutional changes over a defined period.

The proposal was prepared ahead of a high-level government delegation's visit to South Korea from October 31 to November 7.

Finance and Planning Minister Amir Khosru Mahmud Chowdhury is scheduled to lead the delegation. It will meet Korean government agencies, development finance institutions and investors to explore economic cooperation, financing and investment opportunities.

The proposed financing aims to help Bangladesh withstand external energy shocks and address structural weaknesses in the sector

The proposed financing aims to help Bangladesh withstand external energy shocks and address structural weaknesses in the sector. These include the growing fiscal burden of subsidies and outstanding payments to power producers and fuel suppliers.

Bangladesh relies heavily on imported liquefied natural gas (LNG), fuel oil and coal, which leaves the economy exposed to international price movements.

Government officials, experts, and international organisations have repeatedly warned that prolonged instability in the Middle East could intensify those pressures, complicating efforts to contain inflation and maintain macroeconomic stability.

The proposal identifies widening budget deficits, commodity-price volatility, foreign exchange pressure and exchange-rate instability as key risks the programme would seek to address.

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Dollar edges up as oil, gas import payments mount

STAR BUSINESS REPORT

The US dollar rose slightly against the taka yesterday as banks faced mounting pressure to settle letters of credit (LCs) for oil and gas imports.

Eastern Bank PLC quoted the dollar at Tk 123.98 for spot selling and Tk 122.98 for spot buying, up from Tk 123.95 and Tk 122.95, respectively, a day earlier. The rates were considerably lower a week ago.

State-owned Sonali Bank quoted the dollar at Tk 123.90 for spot selling and between Tk 122.63 and Tk 122.90 for spot buying.

In the interbank market, the weighted average dollar rate rose to Tk 123.75 yesterday from Tk 123.73 a day earlier and Tk 123.45 a week ago, according to Bangladesh Bank (BB) data.

Bankers attributed the increase mainly to higher payment pressure for oil and gas imports.

A BB official said dollar inflows and outflows were roughly balanced, but payment pressure usually increases towards the end of a month

A treasury head of a state-owned bank, who wished to remain anonymous, told The Daily Star that government payments for oil and gas imports were putting heavy pressure on the market. His bank was also facing a slight dollar shortage, he said.

Import payments rose 12 percent year-on-year to $12.20 billion in July and August of the current fiscal year, according to BB data. Payments for petroleum products alone doubled to $2.49 billion.

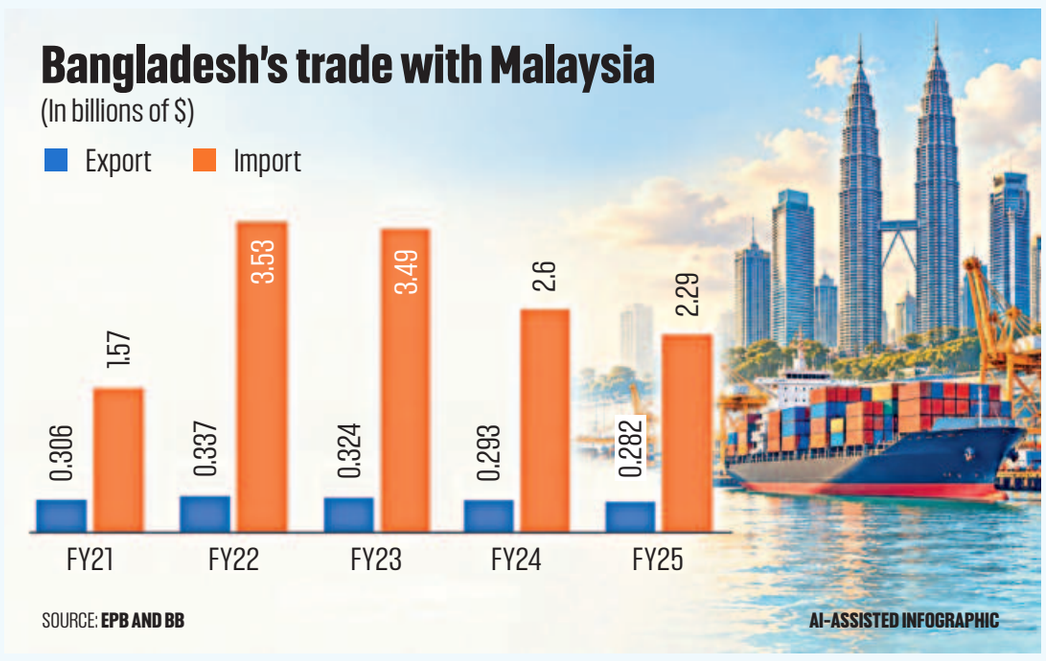
Industry insiders said global fuel prices had risen amid tensions in the Middle East, increasing the country's import bill.

A BB official said dollar inflows and outflows were roughly balanced, but payment pressure usually increased towards the end of the month, pushing up the exchange rate.

Remittance inflows also tended to slow towards the end of the month, creating a temporary mismatch in the market, the official added.

Expatriate Bangladeshis sent home $2.13 billion between October 1 and 24, up from $2 billion in the same period last year.

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First round of FTA talks with Malaysia starts today

REFAYET ULLAH MIRDHA

Bangladesh and Malaysia will begin negotiations for a free trade agreement (FTA) in Dhaka today as Bangladesh seeks to secure preferential market access after its graduation from the least developed country (LDC) category.

The first round of talks aims to advance an agreement by next year, a commerce ministry official told The Daily Star, asking not to be named.

Additional Commerce Secretary Khadiza Nazneen will lead the Bangladesh delegation at the meeting at Hotel Pan Pacific Sonargaon Dhaka, the official said. A 30-member Malaysian delegation is in the capital for the negotiations.

The proposed FTA is part of Bangladesh's efforts to expand trade agreements with potential partners ahead of LDC graduation, which will erode some of the trade preferences the country currently enjoys.

Bangladesh signed an economic partnership agreement (EPA) with Japan and a comprehensive economic partnership agreement (CEPA) with South Korea this year to secure preferential market access.

However, both agreements are yet to take effect as they require parliamentary ratification in the respective countries.

Bangladesh also signed a preferential trade agreement (PTA) with Bhutan in December 2020, covering 34 Bhutanese products and 100 Bangladeshi products. The agreement is now in operation.

'INCLUDE MANPOWER EXPORTS IN NEGOTIATION'

Md Anwar Shahid, president of the Bangladesh Malaysia Chamber of Commerce and Industry (BMCCI), welcomed the initiative, saying Bangladesh should pursue FTAs with potential trading partners to prepare for the loss of preferential market access.

"Trade should be used as a tool for development, as many developed and developing countries have already demonstrated," he said.

He noted that an FTA with Malaysia could reduce the National Board of Revenue's tariff revenue but argued that the potential benefits of a trade agreement should not be overlooked.

Anwar also called for including manpower exports in the negotiations, saying Bangladesh's economic ties with Malaysia remained limited in scope and that Bangladesh had yet to diversify its exports significantly beyond garment products.

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SPOTLIGHT

Foreign loan disbursements fall 42% in Jul-Sept

STAR BUSINESS REPORT

Bangladesh received about half of the $1.27 billion in foreign loan commitments in the first quarter of the 2026-27 financial year, according to provisional data released by the Economic Relations Division (ERD) yesterday.

Bilateral and multilateral lenders disbursed $662 million in July-September of the current fiscal year. This was 42 percent lower than the $1.14 billion received during the same period a year earlier.

ERD data showed that most lenders made no financing commitments during the period, except for the Islamic Development Bank (IsDB). Last month, the government signed a $1 billion financing agreement with the IsDB to modernise and expand Eastern Refinery Limited, the country's only oil refinery.

Japan was the only other financier to commit funds, pledging $3.5 million during July-September. Including the IsDB commitment, total financing pledges increased during the period.

In terms of disbursements, the International Development Association (IDA), an arm of the World

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Govt's one-stop service portal myGov goes offline

MAHMUDUL HASAN

Bangladesh's one-stop government service portal, myGov, went offline yesterday, leaving citizens and businesses unable to access a wide range of public services, as authorities announced "urgent maintenance" for security and service quality upgrades.

Visitors to mygov.bd this afternoon were met with a "Web server is down" message and Cloudflare error code 521, which indicates that the origin web server is not responding to connection requests.

The error page showed that the user's browser and Cloudflare's Dhaka node were working, while the host server for www.mygov.bd was in error.

Aspire to Innovate (a2i), which runs myGov, displayed an "emergency announcement" saying urgent maintenance was under way to improve security and service quality.

The notice said the work would continue until midnight on October 27 and that users might face temporary disruption.

"We sincerely regret this," it said. The

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Brands should finance garment sector's green transition: experts

STAR BUSINESS DESK

Global fashion brands must help finance Bangladesh's garment sector's shift to clean energy while protecting workers' rights and livelihoods, speakers said at a Dhaka dialogue yesterday.

They called for fair purchasing practices, accessible financing and safeguards to prevent manufacturers and workers from bearing the transition's costs.

Organised by Stand.earth, Oxfam in Bangladesh and Breaking the Silence, the dialogue at Lakeshore Hotel brought together policymakers, brands, manufacturers, trade unions and development organisations, according to a press release.

Chief guest Kazi Rafiqul Islam, a member of parliament and the Parliamentary Standing Committee on the Ministry of Planning, said the energy transition was an economic, social and humanitarian transformation, not merely a technological shift.

"While making the industry eco-friendly, we must ensure that workers' employment, fair wages, safe working environments and social security are not compromised," he said.

Bangladesh, the world's third-largest apparel exporter and ninth most climate-vulnerable country, faces significant climate risks, with around four million garment workers, many of them women, particularly exposed to rising temperatures and flooding.

Rachel Kitchin, senior campaign manager at Stand.earth, called for brands to contribute a fair share of decarbonisation and energy-efficiency costs through collective, shared or grant-based financing.

A recent Stand.earth Research Group study found that 15 brands could help Bangladesh avoid 1.26 million tonnes of carbon dioxide emissions annually by 2040, or 8.59 million tonnes cumulatively.

Rumana Rashid, director of the Bangladesh Garment Manufacturers and Exporters Association, stressed the need for training and reskilling as factories adopt cleaner energy and more efficient machinery. Workers' voices and experience must also inform decisions, she said.The 2025 Fossil Free Fashion Scorecard found that only six of 42 major brands provided suppliers with decarbonisation finance, while just one did so without increasing their debt.

Atwar Rahman, interim head of the project management unit at Oxfam in Bangladesh, said climate and economic justice must go hand in hand. Razequzzaman Ratan, president of the Socialist Labour Front, and BTS Executive Director Roksana Sultana also spoke at the event.

Stand.earth introduced the Clean Fashion Investment Pact, followed by discussions on a roadmap for women workers, transition financing and climate adaptation.

HSBC, BGMEA to host apparel roadshow in Hong Kong

STAR BUSINESS DESK

The Hongkong and Shanghai Banking Corporation Limited (HSBC) in Bangladesh and the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), in collaboration with the Consulate General of Bangladesh in Hong Kong, will organise the Bangladesh Apparel Roadshow in Hong Kong on October 28.

The event, to be held at Hong Kong's Island Shangri-La hotel, will bring together global buyers and industry stakeholders to showcase Bangladesh's capabilities in product diversification, technical apparel, innovation and sustainable manufacturing, according to a press release.

Against the backdrop of evolving global sourcing strategies and changing market dynamics, the roadshow will highlight the sector's expanding capabilities and explore opportunities for greater international trade and collaboration, the release said.

The programme will feature presentations on Bangladesh's apparel capabilities, discussions on the global retail outlook and emerging sourcing trends, a panel discussion, and an apparel showcase highlighting innovation and technical apparel.

Senior HSBC Hong Kong officials, including Oliver T Jones, head of global network banking, Hong Kong, will participate in the discussions.



Pallab Chakravorty, chief executive officer of general admin at Pharma Solutions Bangladesh Limited, and Mamur Ahmed, senior executive vice-president and head of distribution network of Prime Bank PLC, pose for a photograph after signing the agreement at the bank's head office in Gulshan, Dhaka recently. PHOTO: PRIME BANK

Prime Bank signs payroll banking deal with Pharma Solutions

STAR BUSINESS DESK

Prime Bank PLC recently signed a payroll banking agreement with Pharma Solutions Bangladesh Limited, a pharmaceutical distribution, warehousing and healthcare supply chain services company operating across Bangladesh, to offer comprehensive payroll banking services.

Mamur Ahmed, senior executive vice-president and head of distribution network at the bank, and Pallab Chakravorty, chief executive officer of general administration at the pharmaceutical distribution company, signed the agreement at the bank's head office in Gulshan, Dhaka, according to a press release.

Under the agreement, employees of Pharma Solutions Bangladesh Limited will enjoy payroll banking facilities, including salary accounts with competitive rates, dual-currency debit cards with fee waivers and lifestyle benefits, customised loan and credit card facilities, and a wide range of consumer banking products and services on preferential terms.

They will also have access to PrimePay, the bank's omni-digital platform, which enables seamless and automated salary disbursements, along with convenient, round-the-clock corporate payment solutions.

Hasina Fardous, senior vice-president and head of payroll banking at the bank; Md Robiul Alam Iskandar, senior business development manager of payroll banking; Abu Saied Md Al Mamun, director of finance at the pharmaceutical distribution company; and Md Zahid Hossain, head of human resources, along with other senior officials from both organisations, were also present at the signing ceremony.



Board members, senior executives, divisional heads and branch managers of Modhumoti Bank PLC pose for a photograph at the closing session of the bank's two-day Branch Business Performance Review Conference at Sheraton Dhaka in Banani on Sunday. PHOTO: MODHUMOTI BANK

Modhumoti Bank reviews branch business performance

STAR BUSINESS DESK

Modhumoti Bank PLC held a two-day conference on Saturday and Sunday to review branch business performance and develop strategies to achieve business targets.

The conference, held at Sheraton Dhaka, was inaugurated by Salahuddin Alamgir, chairman of the bank's board of directors, according to a press release.

The meeting reviewed each branch's year-to-date business performance and progress. Participants also developed branch-specific strategies and future action plans, taking into account the country's business environment, the banking sector and broader macroeconomic conditions.

The conference was attended by A Mannan Khan, chairman of the Risk Management Committee; Md Shafiqul Alam, chairman of the Audit Committee; Md Shafiul Azam, managing director; Shahnawaj Chowdhury, additional managing director; Arab Fazlur Rahman, deputy managing director and chief business officer; and Arif Hasan Khan, deputy managing director and chief risk officer.

Divisional heads from the head office and all branch managers also attended the event.

NRB Bank eases banking services for expatriates

STAR BUSINESS DESK

NRB Bank PLC has launched a Non-Resident Convertible Taka Account (NRCTA) for non-resident Bangladeshis, aiming to expand banking services for expatriates.

The bank is among the first in Bangladesh to introduce the product, according to a press release.

Tarek Reaz Khan, managing director and chief executive officer (CEO) of the bank, inaugurated the product at a ceremony held at the bank's corporate head office in Dhaka on Sunday.

Anwar Uddin and Kimiwa Saddat, additional managing directors of the bank; M Rashidul Huda, deputy managing director; and Oli Ahad Chowdhury, senior executive vice-president and head of retail banking, were also present at the launching ceremony, along with other officials.



PHOTO: NRB BANK

Tarek Reaz Khan, managing director and CEO of NRB Bank PLC, poses for a photograph after inaugurating the bank's new NRCTA for non-resident Bangladeshis at its corporate head office in Dhaka on Sunday.

US consumer sentiment near record low ahead of elections

REUTERS

US consumer sentiment edged down to near a record low in October as rising prices because of the Middle East conflict soured households' views of the economy on the doorstep of midterm congressional elections centering on affordability issues, a survey showed recently.

The University of Michigan's Surveys of Consumers said its Consumer Sentiment Index dropped to 48.0 this month from a final reading of 48.1 in September. Economists polled by Reuters had forecast the index at 46.3, which had also been the index's preliminary reading for October.

October's reading marked the second-lowest on record after the all-time low of 44.8 set in May, not long after the Iran war began.

"Purchasing power continues to dominate consumer views of the economy," said Joanne Hsu, the director of the Surveys of Consumers.

"Sentiment is now 10 percent below a year ago and 15 percent less than February, just prior to the Iran conflict."

The survey results dovetail with political polling data showing voters have a dim view of the economy and President Donald Trump's and the Republican Party's stewardship over it.

Millions of US voters have already cast early ballots in the fast-approaching November 3 midterm election that will determine control of Congress over the final two years of Trump's term. Polls show Republicans are likely to lose control of the House of Representatives and possibly the Senate as Trump's approval rating in a Reuters/Ipsos poll sits at a record low thanks to the skyrocketing fuel prices unleashed by his decision to attack Iran in late February.



Monzurur Rahman, chairman of Pubali Bank PLC, presides over the bank's 7th extraordinary general meeting, held virtually on Sunday. Azizur Rahman, Md Abdur Razzak Mondal, Rana Laila Hafiz, Mustafa Ahmed, Arif Ahmed Choudhury, Shahinuzzaman Yaqub, Kabir Ahmed and Sajid Azad, directors; Hasina Sheykh, independent director; Mohammad Liton Miah, chief financial officer and general manager; and Md Anisur Rahman, company secretary and general manager, also joined the meeting. PHOTO: PUBALI BANK

Thailand launches $1.5b household solar push

AFP, *Bangkok*

Thailand offered subsidies worth up to $1.5 billion Monday to help households install solar panels, as it seeks to boost renewable energy and reduce dependence on costly imports.

The government offered almost $1,500 (50,000 baht) towards installation costs for up to one million households, while also promising low-interest loans and tax benefits for those fitting panels to their homes or land.

"Today, we import a lot of our energy, we're among the top buyers globally," Finance Minister Ekniti Nitithanprapas told reporters.

But he said this "was not a sustainable solution". The solar panel subsidy is expected to be approved at a cabinet meeting on Tuesday, with applications to open soon after, Ekniti said.

It will be funded out of a 400-billion-baht emergency borrowing package announced earlier this year to cushion the economic impacts of the Middle East war

Around 60 percent of electricity production in Thailand comes from natural gas, with renewables making up almost 11 percent, according to government data from January to July 2026.

Much of the gas has historically come from offshore production or via pipeline from Myanmar, but declining production has forced Bangkok to step up liquid natural gas (LNG) imports.

Premier Bank celebrates 27th founding anniversary



Arifur Rahman, founder shareholder and chairman of Premier Bank PLC, inaugurates the bank's 27th founding anniversary held at its head office at Shanta Pinnacle in Dhaka yesterday. PHOTO: PREMIER BANK

STAR BUSINESS DESK

Premier Bank PLC has celebrated its 27th founding anniversary.

Under the slogan "27 Years of Legacy, Rebuild on Trust", the bank organised a celebration programme at its head office at Shanta Pinnacle in Dhaka yesterday.

Arifur Rahman, founder shareholder and chairman of the bank, inaugurated the celebrations, according to a press release.

In his inaugural speech, Arifur underscored the importance of responsible and sustainable banking practices.

"We are moving Premier Bank forward on the path of integrity and transparency by putting an end to past irregularities. Protecting depositors' interests, exploring new opportunities, expanding the bank's reach, enhancing service quality and earning customers' trust require well-planned decisions and sustained collective efforts," he said.

At the event, Md Monzur Mofiz, managing director of the bank, said, "Throughout Premier Bank's 27-year journey, the sincere efforts of our employees and the unwavering trust of our customers have been the key driving forces behind our progress."

"Grounded in integrity, transparency and good governance, we are moving forward towards a sustainable future," he added.

As part of the celebration, several officials were honoured in recognition of their long-standing service and commitment to the bank.

During the event, officials expressed their determination to work with renewed enthusiasm to sustain the bank's progress.

M Nurul Alam, independent director and chairman of Premier Bank Securities Limited; Syed Faridul Islam, independent director and chairman of the executive committee; and Md Sazzad Hossain, independent director and chairman of the risk management committee, were also present, along with the bank's deputy managing directors, heads of divisions and senior officials.

Singer to raise Tk 250cr through preference shares

STAR BUSINESS REPORT

Singer Bangladesh Limited, a subsidiary of Beko, the flagship brand of Türkiye's Koç Holding, plans to raise up to Tk 250 crore by issuing preference shares to refinance existing debt, lower its debt burden, and fund working capital.

The multinational home appliance maker will issue up to 25 crore preference shares at Tk 10 per share, the company said in a press statement yesterday.

The shares will be issued at the discretion of the issuer via private placement to the sponsor shareholder, subject to approval from the Bangladesh Securities and Exchange Commission, Singer said.

The decision comes as the company reported an increased loss of Tk 77 crore for the July-September quarter of 2026, up from nearly Tk 48 crore in the same period a year ago. With the third-quarter earnings, Singer's overall loss in the financial year 2026 stood at over Tk 119 crore, up 5 percent year-on-year, according to its financial statements.

Singer Bangladesh's revenue, however, increased in the third quarter to Tk 440 crore, a 6.5 percent rise from the same period a year ago. In the first nine months of the year, it reported Tk 1,854 crore in sales, up from Tk 1,780 crore a year ago.

Singer said there was a gap between expectations and actual sales due to a stagnant consumer electronics market.

"Gross profit margins improved marginally, but increased cost of sales could not be fully passed on to consumers due to intense market price sensitivity," said the company.

Singer said it began investing in a green factory at the Bangladesh Special Economic Zone in 2022. The facility spans more than 135,000 square metres and is designed to enable over 90 percent local manufacturing, strengthen domestic supply chains, reduce import dependency and improve production efficiency.

However, during the implementation phase, project costs escalated due to significant local currency depreciation.

Furthermore, ongoing geopolitical tensions across the Middle East and Eastern Europe, combined with domestic political transitions, have constrained local economic activity, which is yet to stabilise, it added.

"Though the unforeseen external and domestic factors have temporarily delayed expected returns, management remains committed to navigating these temporary headwinds," it said.

Square Pharma recommends 130% cash dividend

STAR BUSINESS REPORT

Square Pharmaceuticals has recommended a 130 percent cash dividend for the fiscal year 2025-26 (FY26), backed by higher sales and profits.

The company made the decision at a board meeting yesterday.

Its sales rose around 13 percent to Tk 8,606 crore in FY26, while profit increased 18 percent to Tk 2,770 crore.

The company paid cash dividends of 120 percent, 110 percent and 105 percent in the previous three financial years. Before that, it paid 100 percent and 60 percent dividends.

Square Pharmaceuticals, the country's largest pharmaceutical company, began its journey in 1958 under the leadership of the late Samson H Chowdhury.

It now exports to more than 40 countries and aims to boost overseas sales by making better use of its existing facilities.

Shares of the blue-chip company have remained relatively stable over the years. Over the past year, its share price ranged from Tk 198 to Tk 236. Yesterday, it traded at Tk 218.

Japanese companies compensate users as cyberattacks buffet economy

REUTERS, *Tokyo*

Japanese companies are moving to pay compensation to users following waves of cyberattacks that have disrupted internet services and raised concerns about economic stability.

GMO Internet Group, a leading provider of online financial services, said customers would be compensated for losses stemming from unauthorised access following a cyberattack on its foreign exchange trading service, and all customers would receive 5,000 yen ($32) as a gesture of goodwill, CEO Masatoshi Kumagai said in a blog post on Sunday.

"The internet itself is now starting to break down," said Kumagai, whose sprawling group includes internet infrastructure and cryptocurrency trading.

On Monday evening, Japanese Prime Minister Sanae Takaichi said the government plans to compile an emergency package of cybersecurity measures against cyberattacks by sometime next week.

Japan said on Friday it would set up a team to simulate cyberattacks using AI to identify weaknesses in technology systems as organisations [illegible]scrambled to curtail risks from flaws in the PHP programming language that underpins much of the internet.

More broadly, Japanese companies are being roiled by attacks, with experts saying AI is helping automate tasks from scanning for software vulnerabilities to crafting phishing campaigns, making cybercrime faster, cheaper and harder to detect.

"The internet is increasingly being transformed into a tool that malicious actors use to threaten and rob people," said Kumagai.



PHOTO: REUTERS

Shares of GMO, which had a market value of $2.6 billion as of Friday's close, slumped almost 16 percent to a four-month low against a 0.2 percent rise in Tokyo's benchmark index.

Government and company websites in Japan, Europe and elsewhere went offline last week after the disclosure of critical vulnerabilities in the PHP programming language prompted millions of hacking attempts. Kumagai has urged the Japanese government to apply cyberdefence measures in response to the cyberattack, after the introduction of a cyberdefence system this month. The system could involve steps such as attacking hostile servers to neutralise threats.

How exposed

FROM PAGE B1

DIVERSIFYING OVERSEAS JOBS IS BECOMING URGENT

The latest disruption shows Bangladesh's heavy reliance on a handful of overseas labour markets, leaving migrant workers and the economy exposed to regional crises.

Since FY2014-15, Saudi Arabia has employed around half of the 96 lakh Bangladeshis who went abroad for work. Workers in the kingdom have sent home an average of $5 billion a year.

The pressure on migration is already evident. Overseas employment fell 36 percent year-on-year to 134,000 in the July-August period this year, following a decline to around 969,000 workers in FY26, the lowest level in five years, according to Bureau of Manpower, Employment and Training data.

Tasneem Siddiqui, executive director of the Refugee and Migratory Movements Research Unit (RMMRU), a local think tank, said the crisis exposed the structural weaknesses of the country's migration sector.

"Therefore, rather than relying on piecemeal decisions, we must completely overhaul and diversify the manpower market. Otherwise, one crisis after another will emerge, leaving us perpetually vulnerable," said Tasneem, also a political science professor at Dhaka University.

She said the government needs a long-term strategy to develop skills suited to specific overseas markets and expand employment opportunities beyond traditional destinations.

"Long-term strategic planning is essential. Particularly, allocating a mere 0.08 percent of the budget for a $35 billion remittance sector is grossly insufficient to accomplish meaningful interventions," she said.

Meanwhile, economist Zahid said Bangladesh should target countries facing ageing populations and labour shortages, including Japan and countries in eastern Europe, where demand for workers in nursing, caregiving and manufacturing could offer alternatives to Middle Eastern markets.

Sayema Haque Bidisha, an economics professor at Dhaka University, also called for greater diversification of migration destinations, stronger diplomatic engagement and better support for expatriates through overseas missions.

She said Bangladesh needs to improve its international image by demonstrating that its workers can fill skilled jobs, rather than being seen primarily as a source of manual labour.

Shariful Hasan, associate director of BRAC's Migration Programme and Youth Platform, said earlier this month that many Bangladeshi workers in Saudi Arabia depend on daily or weekly employment and that security concerns have reduced work opportunities.

PAKISTAN FACES GREATER EXPOSURE THAN INDIA

Bangladesh is not the only country with a significant reliance on remittances from Saudi Arabia.

Its neighbour India and Pakistan also depend on money sent home by their citizens working in the kingdom, although the potential impact varies.

Saudi Arabia is Pakistan's largest source of remittances, contributing $9.78 billion in the last fiscal year, according to State Bank of Pakistan data.

Meanwhile, around 7 percent of India's international remittance inflows originate from Saudi Arabia. The country receives about $8 billion annually from the kingdom, according to the Reserve Bank of India.

A prolonged crisis that affects employment and earnings in Saudi Arabia could therefore have a greater impact on Pakistan than on India, given Pakistan's substantial reliance on the kingdom as a source of remittances.

Foreign loan

FROM PAGE B1

Bank Group, provided the highest amount at $196 million. The Asian Development Bank followed with $118 million, while India provided $105 million, according to the ERD.

Foreign financing inflows to Bangladesh, a least developed country that relies partly on foreign sources to meet its financing needs, declined for the third consecutive month.

Despite the fall in inflows, loan repayments rose 5.6 percent year on year to $1.35 billion in July-September of this fiscal year.

ERD data showed that Bangladesh received $8 billion in foreign financing in FY2025-26, down from $8.57 billion in the previous fiscal year. The country repaid $4.49 billion during the same period, nearly 11 percent more than a year earlier.

AI lifts US growth, but no turning point yet

RETUERS, *Washington*

In his 2025 inaugural address, President Donald Trump said his return to the White House heralded the start of a new golden age for the US, especially for the economy.

He and his advisers contend his plans to slap tariffs on imports, deport some immigrants and curtail the arrival of others, cut personal and corporate taxes and slash regulations would unleash growth, reshore manufacturing, and lead to a boom in the economy's productive capacity.

The US economy may indeed be undergoing profound change, though it is unclear how much of the transformation stems from Trump's policies and how much from the rapid development of artificial intelligence technologies whose impact on jobs, prices and output remains to be seen.

The picture is somewhat mixed.

Gross domestic product measures the total output of goods and services in an economy, and the rate it expands year to year is often cited as a benchmark for economic success.

But there are natural constraints. At a basic level GDP represents the number of people working multiplied by the average output per worker. All things equal an aging society with a low natural population increase and a low immigration level -- as in the US right now -- can only grow so fast.

Economists see the underlying US trend growth rate -- the pace at which the economy could expand with full employment and stable, low inflation -- at around 2 percent.

Trump has said his policies could double that pace or do even better, but so far quarter-to-quarter growth doesn't look that much different than it did in prior years.

Some things just haven't turned out as the administration expected. Steep tariffs imposed in the spring of 2025 and expanded since then were in Trump's view going to cut US dependence on imports and bring manufacturing jobs back to US shores.

The US Supreme Court has since tossed out some of the levies as unconstitutional, though the administration has plans to replace them with taxes imposed under other regulations. "We have very durable tariff authorities," Treasury Secretary Scott Bessent said last week.

Evidence on how much reshoring is in train has been mixed. Meanwhile imports have continued to climb in no small part because of demand for components to build data centers to accommodate AI firms.

Yet at the same time all that imported stuff has helped fuel what has been a big upside surprise. Business investment has boomed from the race to build data centers and establish AI capacity as fast as possible. It has been aided as well by corporate tax changes under Trump's signature One Big Beautiful Bill Act that provide an incentive to invest in capital projects.

The estimates of what's in the AI-sector pipeline are staggering -- several trillion dollars of capital -- but local blowback against data center projects has also emerged as an important campaign issue.

The local dynamics have made for uncomfortable politics for Republicans, with Trump arguing data centers should be built as fast as possible and criticizing opponents, while local candidates face voters genuinely unnerved by the potential impact on their communities -- and their electricity bills.

But for now, business investment has been a major prop to GDP growth that would otherwise seem laggard.

The potential for the AI boom to usher in an era of profound productivity gains has become a touchpoint of optimism throughout the Trump administration.

Trump has tried rebranding AI as "super intelligence" and taken a direct interest in the industry, which has important security and defense applications, along with carrying immense potential risks. Bessent has argued that productivity-enhanced growth can fix the country's fiscal problems without the full pain of hefty cutbacks, and Fed Chairman Kevin Warsh has said rising productivity may temper inflation and allow the Fed to lower interest rates.

Yet it's not clear much has happened yet.

There have been some strong recent jumps in labor output per hour, and many economists and business leaders are convinced that the deployment of AI at scale will change much about how companies and people work.

But the data are notoriously volatile and hard to anticipate, and some officials argue that the recent productivity increases are too early to be attributable to the new technology -- as opposed to changes spurred by the demands of the pandemic, like mobile ordering.

Govt's one-stop

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announcement, however, did not provide details into the upgrades.

Speaking to The Daily Star, Muhammad Anwar Uddin, project director at a2i, which runs myGov, said the platform needed upgrades.

"We need some upgrades. That is why we want to carry out the updates," he said.

Asked whether the shutdown was linked to vulnerabilities in PHP, a programming language widely used to build websites, he said some such issues had emerged.

"Yes, there are some issues like that. Some issues have come up that are PHP-based, and some of our systems are outside PHP," he said.

He said the updates were being made for protection.

An official of the Bangladesh e-Government Computer Incident Response Team (BGD e-GOV CIRT), the government's cyber security agency, also said the agency had flagged PHP-related issues on some websites run by a2i.

"We have raised some issues regarding PHP in some websites run by a2i, and they are working on it," the CIRT official said.

CIRT issued an advisory on October 22 about PHP2Shell, a set of vulnerabilities that could allow attackers to run malicious code on servers remotely without logging in.

In a high-severity alert issued recently, it warned that several government and private organisations were still using outdated or unsupported PHP versions and urged them to apply verified patches or restrict public access.

The vulnerability has already disrupted digital services.

The Bangladesh Bank restored its website at 8am yesterday after keeping it offline for two and a half days.

On Saturday, the websites of six banks, including Agrani, Janata and Bengal Commercial Bank, went offline, with some remaining down until Sunday. The land ministry also suspended services on land.gov.bd for about 36 hours from midnight on October 22.

CIRT has cautioned that running an outdated PHP version does not necessarily mean a system has been attacked, as the actual risk depends on the version in use, whether patches have been applied and how exposed the system is to the internet.

myGov brings government-to-citizen, government-to-business and government-to-government services together online. Users apply for services from different ministries, track applications in real time and pay fees. Services include certificate attestation, land-related applications, allowances, and business licences and permits.

A prolonged shutdown is therefore likely to affect people with pending applications, including those seeking attestation for study or travel abroad, and businesses waiting for licences or permits.

First round

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Bangladesh exports textiles and apparel, leather and leather goods, jute and jute products, fish and seafood, and pharmaceuticals to Malaysia.

Its imports from the country include electrical and electronic equipment, palm oil, machinery and mechanical appliances, rubber products and chemicals.

In fiscal year 2024-25, Bangladesh exported goods worth $282 million to Malaysia and imported goods worth $2.29 billion, according to data from the Export Promotion Bureau and Bangladesh Bank.

The trade gap partly reflects Bangladesh's substantial imports of palm oil from Malaysia.

'MALAYSIA COULD BE A GATEWAY TO ASEAN'

M Masrur Reaz, chairman and chief executive officer of Policy Exchange of Bangladesh, also stressed the importance of securing market access and diversifying export destinations ahead of LDC graduation.

He said 84 percent of Bangladesh's exports were concentrated in the garment sector, while a similar proportion went to just three destinations — the United Kingdom, the United States and the European Union.

Masrur said Bangladesh's export concentration had been supported by duty-free market access linked to its LDC status, making it important to pursue new trade arrangements as those preferences change.

Asian markets could play a greater role in expanding trade and business after graduation, he said, adding that agreements with Malaysia, Japan, South Korea and other countries would be important in that effort.

He also noted that Malaysia could potentially serve as a gateway for Bangladesh to access the wider Association of Southeast Asian Nations (ASEAN) market.

Despite the region's growth potential, Bangladesh's exports to ASEAN remain low, he said.

The PEB chief also said major trading nations were increasingly focusing on regional markets, partly amid geopolitical uncertainties, making closer trade ties within Asia more important.

Like Anwar, he too suggested that Bangladesh include manpower exports in the FTA negotiations with Malaysia to broaden the scope of bilateral economic cooperation.

Govt wants $1b

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As per the proposal, the loan would support three broad reform areas -- adopting a renewable energy policy, enabling government non-bank financial institutions to invest in alternative energy, and improving the financial management of state-owned energy companies.

The Finance Division expects the programme to strengthen the sector's financial sustainability and improve preparedness for energy-price volatility and supply disruptions. It also aims to address environmental concerns.

The financing is intended to help restore a more stable and affordable energy supply while improving the financial position of state-owned energy companies.

The delegation is expected to meet officials of KEXIM, Korea's export-import bank, which is relevant to the proposal because of its role in the country's development finance framework, including EDCF.

The Bangladeshi team is also scheduled to meet SK Gas to discuss the energy sector.

The agenda does not specify whether the meeting will cover fuel supply, investment or the proposed budget-support programme.

The draft programme also includes a Bangladesh-Korea investment promotion initiative. It will focus on infrastructure, logistics, industrial development, urban services, digital solutions and public-private partnerships.

Alongside the energy-sector proposal, the Finance Division has outlined a separate capacity-building initiative with support from the Korea International Cooperation Agency (KOICA).

The initiative aims to strengthen Bangladesh's capacity in budget management, macro-fiscal forecasting and public debt management. Proposed support includes specialised training, technical assistance, study visits and upgraded analytical tools.

The areas of support would include fiscal-risk analysis, debt sustainability assessments, medium-term debt strategy, borrowing plans and negotiations over policy-based loans. Expected outcomes include stronger fiscal projections, more effective debt-risk assessments and greater transparency in public debt and fiscal reporting.

Dollar edges up

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Despite some volatility in the foreign exchange market, the country's reserves remained at a comfortable level. The central bank data showed that reserves stood at $31.54 billion under the BPM6 method on October 19, up from $26.34 billion a year earlier.

State banks

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decided to terminate the remaining tenures of the contractual MDs and chief executive officers of Sonali, Janata and Rupali banks.

The appointments of the heads of Agrani Bank, Bangladesh Development Bank Limited (BDBL) and BASIC Bank had also been cancelled last month.

Following the cancellations, the government revised the eligibility policy on October 19 for appointing MDs and CEOs at six state-owned commercial banks: Sonali, Janata, Agrani, Rupali, BDBL and BASIC.

Under the revised policy, candidates must have at least 20 years of experience in banks or financial institutions.

However, the requirement for two years of experience in the position immediately below that of MD or CEO may be waived for candidates with special skills, professional qualifications, leadership ability and a good reputation.



Speakers attend a roundtable titled "Skills to Employment: Building an Inclusive Labour Market for Youth with Disabilities", jointly organised by the Bangladesh Business and Disability Network and BRAC Bank at The Daily Star Centre in Dhaka yesterday. PHOTO: **PRABIR DAS**

Coordinated efforts key to jobs for youth with disabilities

Roundtable urges inclusive training and stronger public-private collaboration

STAR BUSINESS REPORT

Bangladesh needs coordinated efforts by the government, employers, training institutions and development organisations to help young people with disabilities transition from skills development to decent employment, speakers said at a roundtable yesterday.

They identified barriers including inaccessible workplaces and transport, employers' misconceptions, inadequate skills training, weak coordination among agencies and a lack of reliable employment data.

The speakers called for competency-based training, stronger private-sector engagement and better workplace support to help young people with disabilities secure and retain jobs.

The discussion, titled "Skills to Employment: Building an Inclusive Labour Market for Youth with Disabilities", was jointly organised by the Bangladesh Business and Disability Network (BBDN) and BRAC Bank at The Daily Star Centre in Dhaka.

Shamarukh Fakhruddin, trustee of BBDN, said creating an inclusive labour market required coordinated efforts by the government and private sector.

"The mindset of employers is extremely important. We need to ask whether they are genuinely willing to recruit persons with disabilities and whether the workplace ecosystem allows them to work effectively," she said.

Even when employers arranged transport and adapted factories, inaccessible roads and surrounding infrastructure could prevent workers with disabilities from reaching their workplaces, she said, calling for broader government intervention.

"Training should not be considered the end of our responsibility. We need to develop courses in consultation with employers, prepare participants for recruitment and provide mentoring and support after they join the workplace," she added.

Joha Jamilur Rahman, head of training at the Metropolitan Chamber of Commerce and Industry (MCCI), said employers remained concerned about workplace accessibility, accommodation costs, safety and gaps between candidates' skills and industry requirements.

MCCI could help member companies recruit persons with disabilities by connecting them with specialised training institutions, promoting inclusive recruitment and internship programmes, and advocating simpler tax incentives, Joha said.

Speakers called for competency-based training, stronger private-sector engagement and better workplace support to help young people with disabilities secure and retain jobs

Masreka Khan, senior programme officer at the International Labour Organization, called for stronger coordination among the government, employers and workers, alongside more flexible admission criteria for persons with disabilities seeking technical and vocational education.

"We need a coordinated approach involving the government, employers and workers to make the labour market more inclusive," she said.

She also stressed the need to translate policies into practical workplace guidelines and improve recruitment and job retention.

Md Ruhul Amin, chairman of the Bangladesh Technical Education Board, said students with disabilities received admission quotas, extra examination time and scribes where needed.

"We have a 1 percent admission quota in certain programmes, while a 5 percent quota applies to skills development programmes," he said.

The board offered diploma programmes in around 32 technologies, SSC vocational courses in 29 trades and short courses in 123 trades. Accessibility was also being considered in new technical education facilities, he added.

Nazneen Kawshar Chowdhury, executive chairman of the National Skills Development Authority (NSDA), said around 43 percent of skills training providers were underutilised, partly because of a shortage of qualified trainers.

"Completion-based training does not necessarily produce skilled workers. We must focus on competency-based training so that trainees acquire the skills employers need," she said.

The NSDA aims to build a pool of 10,000 trainers by 2030 but has trained around 3,000 so far, she added. Under a project implemented with German cooperation, 3,000 people are expected to receive technical skills training, with 900 targeted for employment by June 2027.

Md Abdul Karim, executive director of UCEP Bangladesh, said the organisation provided job training, career counselling and post-placement monitoring to help persons with disabilities secure and retain employment. Its job placement rate was 75 percent, he said.

Training curricula must reflect industry demand, and employers should be involved in both training and job placement, he said, stressing the need for accessible training equipment and workplaces.

Salma Mahbub, executive director of Bangladesh Society for the Change and Advocacy Nexus (B-SCAN), said a lack of reliable, disaggregated data made it difficult to assess the labour-market participation of persons with disabilities and design effective employment programmes.

"Based on our experience, we know that people with different types of disabilities are engaged in various economic activities, but we need reliable data to understand their participation and employment patterns," she said.

Shafiq R Bhuiyan, head of internal communication and CSR at BRAC Bank, called for training programmes tailored to participants' abilities and employers' needs, alongside better measurement of outcomes.

"Our aim is to provide training that produces measurable outcomes, so that after three months, six months or a year, we can demonstrate the impact of the technical skills participants have acquired," he said, adding that measuring the impact remained a challenge.

Nazma Ara Begum Poppy, national project support officer at UN Women Bangladesh, said women with disabilities faced additional barriers, including social stigma, limited access to information, transport difficulties and family restrictions.

Ekram Kabir, senior executive vice-president for communication at BRAC Bank, said growing willingness among commercial banks to support young people with disabilities was encouraging. Bangladesh Bank was also working on comprehensive corporate social responsibility guidelines addressing these issues, he added.

Sousan Suha, youth engagement analyst at UNDP Bangladesh, also spoke at the event, which was moderated by Tanjim Ferdous, head of strategic partnership at The Daily Star.

The merchandiser's vulnerable phone

ZEESHAN R KHAN

Nasrin is a senior merchandiser at a knitwear factory in Gazipur. She handles two European buyers who keep her phone busy past midnight: WhatsApp groups with sourcing teams and production managers, emails about shipments, photos of lab dips and costing sheets. To understand the account, its prices, people and payment history, you would need her phone.

One night, she needs to sign a PDF, but her usual app will not open it. A friend sends her a link to a free "pro" editor. It asks for accessibility permission to "work properly". It is late, the buyer is waiting, and she taps yes. Nasrin is invented. What happens next is not unusual.

For weeks, nothing happens. The app reads her screen, including notifications, and passes information on. Then the buyer's finance team receives a revised proforma invoice from Nasrin's email, inside the real thread, with genuine order numbers. The factory has changed banks, it says; please use the new account. The buyer pays. A month later, the factory asks where its money is. The buyer sends the remittance slip. Both are telling the truth. The money is gone.

Nobody hacked the factory's servers. The IT team had secured the office computers. The breach came through a phone the company did not own or manage.

This is the overlooked part of Bangladesh's export supply chain. The garment industry runs on speed, and speed runs on WhatsApp. Tech packs, prices, approvals and payment instructions travel through personal phones, often shared with family and rarely protected beyond a screen lock. After 2013, the industry learned, at terrible cost, to treat physical safety as part of what it sells. Digital safety has yet to have its moment.



Bangladesh's garment industry has strengthened physical safety, but personal phones remain vulnerable to cybercrime, exposing factories and buyers to payment fraud

The attacks are improving. Fake invoice emails once gave themselves away through stiff English or odd greetings. Now AI tools can study Nasrin's messages and write like her, mixing English and Bangla and signing off with "Rgds." They can also clone a voice from a short voice note. Even a buyer calling to check may hear a convincing imitation.

So where do you start?

With the phone. Most of what happened to Nasrin depended on one permission granted without thought. Accessibility and notification access are legitimate features, but a PDF editor does not need them. Security software can flag apps requesting unnecessary permissions and check those installed through links rather than the Play Store. For anyone handling a buyer account, this protection should be as routine as a factory ID card. Compared with one diverted payment, the cost is small.

Then with payments. Bank details should never change because an email or WhatsApp message says so. A call to a known number before any change takes effect would prevent many frauds. Better still, payment details could sit in a shared record visible to both factory and buyer, with every change signed and dated.

Finally, the data. Costing sheets and buyer contacts do not belong in chat groups that grow through forwarding. When a merchandiser joins a competitor, the factory may not know what she still holds. Trade platforms can give buyers, factories and auditors limited access, ending when the job does. These records can also help factories prove where their cotton came from when EU or US customers ask.

None of this requires a big IT department. Owners and managers must accept that a merchandiser's phone is part of the factory, as much as the cutting floor or warehouse, and its security is their responsibility. Next time a buyer visits, someone will show them the fire exits and extinguishers. They should also show them how merchandisers' phones are protected.

The writer is a software industry leader in Silicon Valley

Saudi Arabia to store oil in Singapore to secure Asian supplies

REUTERS, *Singapore*

Saudi Arabia plans to store crude oil at Singapore's Jurong Rock Caverns from the second half of 2027 to strengthen supply security in the region, energy ministers from both countries said on Monday.

The move comes after the US-Israeli war with Iran severely disrupted energy supplies to Asia shipped through the Strait of Hormuz, prompting countries to draw down inventories and raising concerns about stockpile levels globally. Asia imported two-thirds of its oil supplies from the Middle East before the war.

"Saudi Arabia and Singapore are announcing our joint intent to establish an arrangement for Saudi crude oil to be stored at the Jurong Rock Caverns from the second half of 2027," Tan See Leng, minister for energy, trade and industry, told the Singapore International Energy Week conference.

"This arrangement enhances the resilience of the Saudi crude oil supply chain in Southeast Asia, as well as contributes to Singapore's energy security and resilience in the event of supply disruptions."

Tan said Saudi Aramco will sign a memorandum of understanding with the Energy Market Authority and JTC Corp on Monday and aimed to conclude negotiations in a few months' time.

"Bringing supply closer to key Asian markets would strengthen the flexibility of our supply network and support Singapore's security of supply and preparedness," Saudi Arabia's Energy Minister Prince Abdulaziz bin Salman Al-Saud said in a video recording at the conference.

Job concerns rise in China as AI-generated actors take roles

ANN/CHINA DAILY

Artificial intelligence-generated actors are moving from online short dramas into advertising and other commercial settings in China, offering production teams a cheaper and more controllable alternative to human performers, while raising questions about employment and the future of the entertainment industry.

Li Xiaolong, a young actor and student at the Shanghai Theatre Academy who stars in the short play My Dual Control, said the growing use of AI performers could further narrow job opportunities for human actors as film and television productions face tighter budgets.

A friend working in Hengdian, Zhejiang province, one of China's major film and television production centers, told Li that fewer actors were working there, with some leaving the profession or taking jobs as costumed performers at tourist attractions. While anecdotal, the account reflects the uncertainty facing some performers.

AI performers give production teams greater control over expressions and movements through text-based instructions, while generally costing less than human actors, Li said. Producers can revise scenes by adjusting prompts, reducing the need for repeated filming. Opportunities have also become harder to secure for actors without a strong personal following. In Li's experience, even day-rate jobs that once paid more than 1,000 yuan ($150) have become difficult to obtain.

Despite these pressures, Li believes human performance retains qualities AI has not fully replicated. Audiences watching AI short dramas may focus primarily on the plot, he said, and AI performers may suffice when their expressions and actions fit the story. Some viewers, however, continue to prefer the realism and nuance of human acting.



People walk next to a poster of the AI-generated movie "Sanxingdui: Future Memories" in a cinema in the Jing'an Temple district in Shanghai on October 22. PHOTO: **AFP**

Li recalled a teacher describing acting as: "Living people performing living people for living people". Building a role requires research into a character's background and relationships, along with emotional exploration that helps actors bring the character to life. Human performers can show how emotions develop, while AI-generated performances may deliver an immediate result without conveying the same process.

The commercial rise of AI actors can be seen in Fang Taozi, an AI-generated actress whose profile has grown alongside the popularity of AI short dramas. With blunt bangs, long straight black hair and two distinctive moles, she has developed a recognizable appearance and attracted a substantial following on short-video platforms.

The AI drama The Laid-off Girl, which debuted on Douyin on June 12, helped bring Fang to a wider audience. By Aug 25, her Douyin account had more than 510,000 followers. On Aug 27, fashion magazine Cosmo Crush previewed her on its official Weibo account, showing how AI-generated characters are entering spaces traditionally occupied by human celebrities.

For advertisers, an AI character with a recognizable face and an established following can become a vehicle for product promotion. AI characters can maintain a consistent appearance and appear in different scenes without the logistical demands of filming with human performers, making it easier for brands to adapt materials for campaigns.

Rates listed on Douyin's Xingtu influencer marketing platform for Fang Taozi have reportedly ranged from 168,000 yuan for videos of up to 20 seconds to 208,000 yuan for videos lasting 21 to 60 seconds and 258,000 yuan for videos longer than 60 seconds. Though it should be noted that listed rates do not necessarily reflect actual transaction values or earnings.

Production costs can also be lower. Some industry reports have put the cost of AI short dramas at around 80,000 yuan per minute, though expenses vary with complexity and production methods. The DataEye Research Institute has estimated that China's market for AI short dramas, including animated dramas, could exceed 40 billion yuan in 2026, up about 138 percent year-on-year. It estimated that the market had exceeded 22 billion yuan in the first five months. These figures, though, cover AI short dramas broadly, not AI actors alone, and are industry estimates rather than official statistics.

Hou Wenjie, secretary-general of the Shanghai-based research institute Yu Ce Think Tank, said the commercial value of AI actors has moved beyond proof of concept into actual monetization.

Trump says Canada trade deal coming 'soon'

AFP, *Washington*

A trade agreement between the United States and Canada would be reached "pretty soon," President Donald Trump told a campaign rally on Sunday, nine days ahead of crucial US midterm elections.

Tensions between the North American neighbors have been high since trade talks broke down in August, with Trump imposing a slew of new tariffs in response.

"We'll have that settled pretty soon. They're willing to give us anything at this moment," the president said of an agreement during the rally in Port Huron, a Michigan town on the US-Canada border hit hard by his tariff war.

Trump once again defended his levies on Canada and accused it of "ripping off the United States for years."

The tariffs enforced after the August talks broke down impacted around US$20 billion worth of goods, ranging from hockey sticks to cement. In response, Canada imposed tolls on an equivalent amount of American products, leading Trump to retaliate with another round of levies of as much as 50 percent on certain goods.

The White House removed some of them on Friday, in response to a request from Senator Susan Collins, which has been disproportionately impacted by the trade war.