Business

DHAKA THURSDAY NOVEMBER 5, 2026, KARTIK 20, 1433 BS
starbusiness@thedailystar.net



B4

ECONOMIC GLOOM TAKES THE SHINE OFF FURNITURE INDUSTRY

BB clears Tk 3,000cr loan for defaulted City Group firms

Five companies exempted from loan default rules

STAR BUSINESS REPORT

The Bangladesh Bank has exempted five defaulted companies of City Group from a key provision of the banking law, clearing the way for a Tk 3,000 crore working capital facility to be arranged by a syndicate of eight banks.

In a notification issued yesterday, the central bank waived Section 27(KaKa)(3) of the Bank Company Act, 1991, which prohibits banks and financial institutions from extending loan facilities to classified defaulters.

Exercising its authority under Section 121 of the act, the BB said the provision would not apply to the proposed syndicated financing until December 31, 2027.

The beneficiaries of exemption are City Seed Crushing Industries Ltd, City Sugar Industries Ltd, City Edible Oil Ltd, City Dal Mills Ltd and Shampa Flour Mills Ltd. All five are currently classified as defaulters.

City Bank, as lead arranger, and Mutual Trust Bank, as co-arranger, are leading the Tk 3,000 crore facility, City Bank Managing Director Mashrur Arefin told The Daily Star.

citygroup

BY THE NUMBERS

City Group owes **Tk 26,000cr** to over 40 lenders

Five of its defaulted companies exempted from restrictions

8 banks to arrange **Tk 3,000cr** working capital

Of the **Tk 3,000cr, Tk 1,700cr** already arranged

In the first phase, eight banks have committed Tk 1,700 crore. City Bank has pledged Tk 300 crore, while Dutch-Bangla Bank, Mutual Trust Bank, NCC Bank, Prime Bank, Pubali Bank, Southeast Bank and Trust Bank have each committed Tk 200 crore.

The arrangers are confident that the remaining Tk 1,300 crore will be raised as more banks join, Mashrur said.

He said the financing was urgent given City Group's role in the country's food supply chain, particularly in edible oil, sugar, lentils and flour.

"With demand expected to peak before and during Ramadan in 2027, Bangladesh Bank granted a special exemption. This allows the facility to finance raw material imports and keep production running without interruption," he said.

Mashrur said keeping the group's factories operational would help protect food security and stabilise prices of essential commodities. "We need to stand by our customers not only when everything is going well but also when they face dire challenges. This is the first step to ensure this business house thrives again."

Separately, Shamilito Islami Bank, formed through the merger of five crisis-hit shariah-based lenders, has approved

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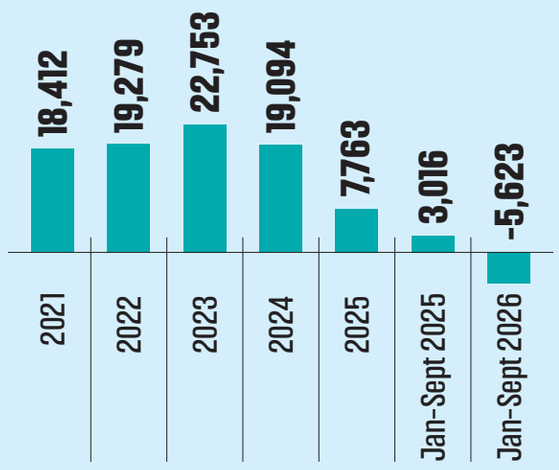
Banks' lending income turns negative for first time in 6 years

Interest income at 27 listed lenders slips into the red, while bond holdings and lower bad-loan provisions prop up profits

Top profit making banks (Jan-Sept)	Net profit	Provision growth
BRAC Bank	Tk 2,120cr	80%
Pubali Bank	Tk 1,584cr	-43%
City Bank	Tk 867cr	-14%
Prime Bank	Tk 684cr	-25%
EBL	Tk 674cr	10%



NET INTEREST INCOME OF 27 BANKS OVER THE YEARS
(In crore taka)



SOURCE: FINANCIAL STATEMENTS OF BANKS

TOP LOSS INCURRING BANKS
(In crore taka)

Islami Bank	-3,286
National Bank	-3,016
AB Bank	-2,823
IFIC Bank	-2,507
Rupali Bank	-995

AHSAN HABIB

Combined net interest income at the country's listed commercial banks turned negative in the first nine months of this year, for the first time in at least six years, as demand for new loans stayed weak and non-performing loans weighed heavily.

Income from investments, especially government bonds, carried much of the load during the period for the banks, according to their financial statements.

A Daily Star analysis shows that 27 listed lenders reported negative net interest income of Tk 5,624 crore in the January-September period this year. In the same period last year, the amount was a positive Tk 3,016 crore.

Interest income should be the bread and butter of banks, since lending is their core business. But private-sector credit demand has fizzled out, and a huge stock of bad loans is straining the balance sheets of many lenders, according to banking experts.

They said banks are putting more money into government bonds because lending has become less attractive.

"The overall business scenario of the banking sector is horrible," said Shah Md Ahsan Habib, a professor at the Bangladesh Institute of Bank Management (BIBM).

He said banks now depend heavily on government bonds because their main source of interest income has turned negative.

Of the 27 listed banks, net interest income fell at 20 in the first nine months of this year. The number of banks reporting negative interest income rose to 10 from six a year earlier.

Over the same period, net investment income across the 27 banks rose 21 percent to Tk 32,622 crore.

SEVEN BANKS LOSE MORE THAN 20 BANKS MAKE IN PROFIT

The analysis shows that the 20 profitable banks made combined profits of Tk 9,600 crore in the first nine months. The other seven lost more than Tk 13,000 crore between them.

The losses are concentrated in commercial lenders weighed down by heavy non-performing loans, many of which turned sour under the previous Awami League government.

BRAC Bank, Pubali Bank, City Bank, Prime Bank and Eastern Bank were the five most profitable. Islami Bank, National Bank, AB Bank, IFIC Bank and Rupali Bank posted the biggest losses.

Mashrur Arefin, managing director and CEO of City Bank, said private-sector credit growth has been hovering at the lowest levels on record, mainly because of global economic uncertainty and war. Banks are therefore earning from their older loans and from government securities.

The combined net interest income has turned negative because loan growth was too slow, and some banks held huge non-performing loans that earned no interest, said Mashrur, also chairman of the Association of Bankers Bangladesh (ABB), the apex professional body for top bank executives.

However, BIBM Prof Ahsan said weak credit demand is only part of the problem.

He said, "Banks themselves are wary of lending to many businesses, and regulatory forbearance, which lets banks delay recognising bad loans, has made them reluctant to extend credit."

"It is a dangerous combination," added Prof Ahsan.

Anis A Khan, a former ABB chairman, agreed that most banks have run into trouble after lending generously and are now cautious.

"It is better not to lend at all than to lend indiscriminately, because the funds a bank lends are ultimately the public's money," he said.

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Money changers can now open custodial forex accounts

STAR BUSINESS REPORT

The Bangladesh Bank has allowed licensed money changers to open foreign currency custodial accounts to ensure the safe handling of cash foreign currencies and reduce risks associated with their transportation.

Under the new guidelines, the accounts can be used exclusively for the safe storage, deposit and withdrawal of foreign currency notes, according to a circular issued yesterday.

No interest will be paid on the balances maintained in these accounts. Foreign currencies can be deposited into the accounts irrespective of the prescribed limits, provided that the volume and nature of business transactions are properly documented.

To ensure security, money changers must maintain valid Cash-in-Transit (CIT) insurance coverage for the transportation of cash.

When transporting foreign currencies exceeding the limits set by authorised dealer (AD) banks, licensed CIT service providers or secure transportation arrangements accompanied by security guards must be used.

The central bank has also advised AD banks to maintain secure counters and temporary vault facilities to facilitate foreign currency deposits towards the end of the business day.

Withdrawals from these accounts will be allowed against cheques or withdrawal slips through authorised representatives. However, the amount withdrawn must not exceed the available balance in the respective account.

No overdraft or credit facilities will be allowed against these accounts.

Besides, fund transfers, remittances and transactions in favour of third parties through these accounts have been strictly prohibited. All transactions must be settled exclusively through foreign currency notes.

SPOTLIGHT

BB sells another $100m to stabilise forex market

STAR BUSINESS REPORT

The Bangladesh Bank yesterday sold another $100 million from its foreign exchange reserves through an auction, aiming to stabilise the currency market amid rising import costs, particularly for fuel.

The sale follows a $122 million auction last week, the first of its kind in a long while. In yesterday's auction, banks were asked to bid for at least $500,000 each in a single bid.

The central bank had also called a $100 million auction last Tuesday. Several banks participated, but the auction was cancelled at the last moment.

Before the fall of the Awami League government in 2024, the central bank sold large amounts of dollars from its reserves over three years. Reserves, which had exceeded $48 billion in August 2021, fell to $25.92 billion as a result.

After Ahsan H Mansur took over as governor in August 2024, he made it clear that no dollars would be sold. The present governor has maintained the same position. Reserves rose as a result, crossing $37 billion on June 29 and reaching $37.41 billion on September 1. They have since fallen to $36.43 billion as of Tuesday.

An official of the central bank, seeking anonymity, said hopes of an improvement in the global conflict

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Govt seeks S Korean support for MRT-5

STAR BUSINESS REPORT

Bangladesh has sought South Korea's support for the Dhaka Mass Rapid Transit (MRT) Line-5 Southern Route project and assistance in setting up a $1 billion to $2 billion sovereign fund to attract institutional investment in major infrastructure and technology projects.

The requests were made during meetings on Tuesday, the second working day of an official Bangladesh delegation's visit to Seoul.

Led by Finance and Planning Minister Amir Khosru Mahmud Chowdhury, the delegation met senior officials of South Korea's Ministry of Economy and Finance, the Export-Import Bank of Korea (KEXIM), Korea Investment Corporation (KIC) and leading technology and industrial companies.

The Executive Committee of the National Economic Council (ECNEC) earlier approved the 17.2-kilometre MRT Line-5 Southern Route at an estimated cost of Tk 45,504 crore. The Asian Development Bank (ADB) and South Korea are expected to finance about two-thirds of the project cost.

With ADB already agreeing to provide a major share of the foreign funding, Bangladesh is now seeking South Korean support to cover the remaining amount.

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The country's second-largest seaport is yet to emerge as a major regional logistics hub owing to low navigability of the Pashur Channel and inadequate facilities. PHOTO: HABIBUR RAHMAN

Mongla port gets Tk 4,000cr modernisation push

PM Tarique Rahman to lay foundation stone today

STAR BUSINESS REPORT

Mongla Port, the country's second-largest seaport, is set for a major modernisation drive as the government moves to expand its cargo and container-handling capacity and strengthen its role in regional trade.

The government is going to invest more than Tk 4,000 crore in two container jetties and supporting infrastructure at the port in the southwestern coastal region under a project titled "Expansion and Modernisation of Facilities at Mongla Port".

Prime Minister Tarique Rahman is expected to lay the foundation stone for the project at the port today.

Despite its potential as a regional logistics hub, Mongla has yet to establish itself as a major trade gateway, largely because of poor navigability in the Pashur Channel and inadequate port facilities.

Under the project, the Mongla Port Authority (MPA) will build two modern container-handling jetties for the first time, along with container storage yards. The facilities are expected to increase the port's annual container-handling capacity by around 400,000 twenty-foot equivalent units (TEUs).

The port handled 29,700 TEUs in fiscal year 2025-26, up 38 percent from the previous year, according to MPA data.

The port currently has five bulk cargo-handling jetties, which are also used for container handling.

The shipping ministry said 49

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Non-traditional exports outpace overall growth

BSS, *Dhaka*

Bangladesh's non-traditional exports recorded significantly higher growth than overall exports during the first four months of the current fiscal year, indicating gradual progress in diversifying the country's export basket.

According to the latest data from the Export Promotion Bureau (EPB), the country's total export earnings increased by 5.88 percent year-on-year to $17.09 billion during July-October of fiscal year (FY) 2026-27.

While the readymade garment (RMG) sector continued to dominate export earnings, several non-traditional sectors posted growth rates ranging from more than twice to nearly five times the national average.

Among them, chemical products recorded the highest growth of 27 percent, followed by jute and jute goods at 24.88 percent, specialised textiles at 16.52 percent, leather and leather products at 12.47 percent, and engineering products at 12.44 percent.

The performance reflects the growing contribution of diversified industries to export growth and highlights their potential to reduce the country's heavy dependence on the RMG sector.

CHEMICALS LEAD EXPORT GROWTH

Chemical products emerged as the fastest-growing sector, with export earnings reaching $157.15 million during the four-month period, marking a 27 percent increase from the corresponding period of the previous fiscal year.

The pharmaceutical industry played a significant role in the growth, earning $101.73 million, up 36.44 percent year-on-year.

Industry insiders attributed the growth to improved compliance with international standards, expansion into new markets and increasing recognition of Bangladeshi pharmaceutical products in overseas markets.

Talking to BSS, Mohammad Hasan Arif, vice-chairman and chief executive (additional secretary) of the EPB, said the performance demonstrated the country's growing capacity in value-added manufacturing.

The pharmaceutical industry played a significant role in the growth, earning $101.73 million, up 36.44 percent year-on-year

He said the chemical sector, particularly pharmaceuticals, was gradually emerging as a promising driver of export diversification, with considerable potential for future expansion.

Jute goods benefit from global demand for sustainable products

Exports of jute and jute goods rose by 24.88 percent to $346.37 million during July-October, making the sector the second-fastest-growing category among the major emerging export industries.

Growing international demand for environmentally friendly and biodegradable alternatives to plastic has created new opportunities for Bangladesh's jute industry.

The EPB vice-chairman said the global shift towards sustainable products offered significant prospects for Bangladeshi jute manufacturers, particularly in developed economies.

Islami Bank launches three new foreign currency accounts

STAR BUSINESS DESK

Islami Bank Bangladesh PLC has launched three new foreign currency accounts to provide expatriate Bangladeshis with diversified savings and investment opportunities.

The newly introduced accounts are the Mudaraba Non-Resident Convertible Taka (NRCTA) Savings Account, Al-Wadeeah Non-Resident Convertible Taka (NRCTA) Current Account and Mudaraba Non-Resident Convertible Taka (NRCTA) Term Deposit Account.

Mohammad Zahir Hussain, chairman of Islami Bank Bangladesh PLC and an executive director of Bangladesh Bank, inaugurated the accounts at Islami Bank Tower in Dhaka yesterday as the chief guest, according to a press release.

In his speech, Zahir said Islami Bank Bangladesh PLC had maintained its leading position in the country's remittance inflows, contributing approximately 17 percent of total remittances.

He also highlighted the bank's significant contribution to the country's economic development and the growth of foreign exchange reserves.



Mohammad Zahir Hussain, chairman of Islami Bank Bangladesh PLC and an executive director of Bangladesh Bank, inaugurates three newly introduced foreign currency accounts at Islami Bank Tower in Dhaka yesterday. PHOTO: **ISLAMI BANK BANGLADESH**

He further said the introduction of the three new NRCTA accounts would create greater opportunities for expatriate Bangladeshis to save and invest their foreign currency earnings.

"The accounts offer opportunities to earn shariah-compliant profits, repatriate funds abroad along with the principal and profits, and operate accounts through digital channels," he added.

The programme was presided over by Md Altaf Hossain, acting managing director of Islami Bank Bangladesh.

City Bank posts 20% profit growth in Jan-Sept



Mashrur Arefin, managing director and CEO of City Bank PLC, and Md Mahbubur Rahman, additional managing director and chief financial officer of the bank, attend the bank's earnings webcast yesterday. PHOTO: **CITY BANK**

STAR BUSINESS DESK

City Bank PLC's consolidated profit after tax rose 20.1 percent year-on-year to Tk 867.38 crore in the first nine months of 2026, driven by improved financial performance.

The bank disclosed the figures at its earnings webcast yesterday, where it presented its financial performance for the third quarter (Q3) of 2026.

The event was held digitally to engage existing and potential investors, researchers, analysts and other participants in the capital market from across the globe, according to a press release.

The bank's consolidated earnings per share (EPS) stood at Tk 4.96 for January-September 2026, compared with Tk 4.13 (diluted) in the same period last year.

The webcast began with a presentation on the bank's Q3 2026 financial performance by Md Mahbubur Rahman, additional managing director and chief financial officer of the bank.

Mashrur Arefin, managing director and CEO of the bank, then spoke about its current and future strategies.

Mesbaul Asif Siddiqui, deputy managing director and head of wholesale banking, and Mohammad Firoz Alam, chief risk officer, also attended the event.

The bank has attracted considerable attention from the global investment community in recent years through its strong market presence and growth.

Following the presentation, a question-and-answer session was held, during which participants raised queries and shared their views.

The webcast was part of the bank's ongoing efforts to strengthen investor relations.

DBBL partners with Pragati Insurance for non-life cover

STAR BUSINESS DESK

Dutch-Bangla Bank (DBBL) has partnered with Pragati Insurance PLC to offer non-life insurance products through its bancassurance operations.

The two organisations signed a corporate agent agreement at DBBL's head office on November 2, according to a press release.

Md Ahteshamul Haque Khan, managing director and chief executive officer of Dutch-Bangla Bank, and SM Shah Alom, managing director and chief executive officer of Pragati Insurance, were present at the signing ceremony. Senior officials from both organisations also attended.

Under the agreement, bank customers will be able to access various non-life insurance products, including motor, travel, group health and crop insurance.

Both organisations have also committed to ensuring a simple and customer-friendly claims settlement process, with a focus on prompt, transparent and fair settlements.

The partnership will enhance customers' financial protection and further strengthen DBBL's bancassurance operations.



Md Ahteshamul Haque Khan, MD and CEO of Dutch-Bangla Bank, and SM Shah Alom, MD and CEO of Pragati Insurance PLC, exchange signed agreement documents at DBBL's head office on November 2 to offer non-life insurance products through bancassurance. PHOTO: **DBBL**

Shimanto Bank holds orientation programme for probationary officers

STAR BUSINESS DESK

Shimanto Bank PLC recently held an orientation programme for the first batch of its probationary officers at the bank's head office in Dhaka.

Maj Gen Mohammad Ashrafuzzaman Siddiqui, chairman of the bank and director general of Border Guard Bangladesh (BGB), inaugurated the programme as the chief guest, according to a press release.

In his address, Ashrafuzzaman congratulated the newly appointed probationary officers and offered them valuable guidance for their professional careers.

He emphasised the importance of professionalism, integrity, dedication and continuous development in achieving excellence in the banking sector.

He also encouraged the officers to uphold the highest standards of commitment and contribute meaningfully to the bank's continued growth and institutional success.

Md Nurul Azim, managing director and CEO of the bank; Brig Gen Momtazur Rahman, additional director general (headquarters) of BGB and director of the bank; and Brig Gen Syed Naufel Mahmud, additional director general (medical) of BGB and director of the bank, along with members of the bank's senior management team, were also present.



Maj Gen Mohammad Ashrafuzzaman Siddiqui, chairman of Shimanto Bank PLC and director general of Border Guard Bangladesh (BGB), poses for a photograph with the bank's probationary officers after inaugurating the orientation programme at the bank's head office in Dhaka recently. PHOTO: **SHIMANTO BANK**

PROBASHI KALLYAN BANK
COMMON SERVICE & ENGINEERING DEPARTMENT
HEAD OFFICE, DHAKA
www.pkb.gov.bd

e-Tender Notice Date: 05/11/2026

SL No.	Tender ID	Invitation Reference No	Name of Works	Tender Last Selling date & Time	Tender Closing date & Time
1.	1366775	PKB/HO//CSED/WC/2026	Printing and Supply of 25000 Pcs of Wall Calender with 500 Pcs of Envelops For 2027 For Probashi Kallyan Bank, Dhaka	15-November-2026, 15:00	15-November-2026, 17:00

This is an online tender which will be published on 05.11.2026 at 10.00AM, where only e-Tender will be accepted in the national e-GP portal and no offline/hard copies will be accepted. To submit e-Tender, registration in the national e-GP system portal (https://www.eprocure.gov.bd/) is required. The fees for downloading the e-Tender documents from the National e-GP system portal have to be deposited online in the branches of any registered bank branches. Further information and guidelines are available in the National e-GP System portal and from e-GP help desk (helpdesk@eprocure.gov.bd).

Sd/-
Pollab Kumar Saha
AGM & Head of Dept.
Common Service and Engineering Department
Probashi Kallyan Bank
Email: - csd@pkb.gov.bd, Phone: +88 01914898824

GD-2675

Meghna Bank opens 21st sub-branch in Cumilla

STAR BUSINESS DESK

Meghna Bank PLC has opened a new sub-branch at Companiganj Bazar in Muradnagar, Cumilla recently.

This is the bank's 21st sub-branch, according to a press release.

Syed Mizanur Rahman, managing director of the bank, inaugurated the sub-branch as the chief guest.

The opening of the Companiganj sub-branch marks another step in Meghna Bank's ongoing efforts to expand its nationwide presence, strengthen customer relationships and extend quality banking services to more communities across the country, he said.

The bank's distribution network now comprises 75 across the country.



Syed Mizanur Rahman, managing director of Meghna Bank PLC, inaugurates the bank's 21st sub-branch at Companiganj Bazar in Muradnagar, Cumilla recently. PHOTO: **MEGHNA BANK**

Trading Corporation of Bangladesh (TCB)
TCB Bhaban, Kawran Bazar, Dhaka-1215
www.tcb.gov.bd
Commercial Section

Corrigendum Notice for e-Tender

Ref No: 26.05.0000.016.08.239.26.4073; Date: 04 November, 2026

For the Fiscal year 2026-2027, the e-Tender is invited in the National e-GP portal (http://www.eprocure.gov.bd) for the procurement of the following package has been given corrigendum due to PE's need;

Tender ID	Name of Item & Tender Package No	Description	As per Original Tender Notice	As per Corrigendum Tender Notice
1352867	3,000 (Three Thousand) M. Ton/ 32,60,870 (Thirty-Two Lac Sixty Thousand Eight Hundred Seventy) Liter Refined Rice Bran Oil & Package No: e-Tender/TCB/Imp-023/Rice Bran Oil/2026-27.	Tender Documents last selling Date & Time	12-11-2026 11.00 AM	19-11-2026 11.00 AM
		Tender Closing & Opening Date & Time	12-11-2026 12.00 PM	19-11-2026 12.00 PM

This is an online tender, where only e-Tender will be accepted in the National e-GP portal and no offline/hard copies will be accepted. To submit e-Tender, registration in the National e-GP portal (http://www.eprocure.gov.bd) is required.
The fees for downloading the e-Tender documents from the National e-GP portal have to be deposited online through any registered bank branches. Further information and guidelines are available in the National e-GP portal and from e-GP help desk (http://www.helpdesk@eprocure.gov.bd).
Special Instruction
a) All other terms and conditions related to the tender and product details are mentioned in the tender document will remain unchanged.
b) The procuring entity reserves the right to accept or reject any tender in whole/in part without assigning any reason.

(Md. Golam Khorshed)
Deputy Secretary
Additional Director (Commercial)
Telephone No. 55014272
E-mail: tcbimp@tcb.gov.bd

GD-2674

Carbon credit earnings fall far short of $1b potential

STAR BUSINESS REPORT

Bangladesh earns only around $16 million a year from carbon credits, despite having the potential to generate up to $1 billion annually, said Md Saimum Parvez, special assistant to the prime minister for environment, forest and climate change affairs.

The government has finalised a national carbon credit framework, which will go to the cabinet within a month. It also plans to set up a national registry, remove bureaucratic hurdles and support small-scale solar and other eligible projects to attract public and private investment.

Speaking at an event in Dhaka organised by the Power Division and Infrastructure Development Company Limited (IDCOL) yesterday, Saimum said current earnings came mainly from improved cooking stoves and solar cooking projects. Renewable energy, irrigation and energy efficiency could also generate carbon credits if emission reductions were properly verified.

He said developers must consider carbon finance from the planning stage, as international standards require them to prove that projects would not have gone ahead without such funding. Projects in the pipeline, particularly private-sector initiatives, have a better chance of qualifying.

The government also plans to convert more than one million diesel- or electricity-powered irrigation pumps to solar power within the next one and a half to two years.

Stakeholders at the event identified low awareness, investment risks and limited access to affordable finance as major barriers to renewable energy and carbon credit projects.

Fazlul Hoque, administrator of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), said the main challenge was not a shortage of funds but weak grassroots demand and limited awareness among businesses and investors.

Habibur Rahman, deputy governor of Bangladesh Bank, called for cheaper loans, longer repayment periods and clear guidelines. He said the central bank had promoted green banking since 2011 and introduced the $200 million Green Transformation Fund, which provides banks with funds at 1 to 2 percent interest, while borrowers pay 5 percent.

Jean Pesme, World Bank country director, stressed the need for predictable policies, reliable contracts and transparency to attract private investment. He also suggested grouping smaller projects to draw larger investors.

Md Mahbub ur Rahman, chief executive officer of HSBC Bangladesh, said reliance on conventional energy exposed the country to supply risks and rising costs.

Prime Bank clients to get discounts on Suzuki vehicles

STAR BUSINESS DESK

Prime Bank PLC has signed a memorandum of understanding (MoU) with Uttara Motors Limited, the sole distributor of Suzuki-branded passenger vehicles in Bangladesh, to offer automotive benefits and privileges to the bank's customers and employees on purchases of Suzuki cars and sport utility vehicles (SUVs).

Mamur Ahmed, senior executive vice-president and head of distribution at the bank, and ABM Humayun Kabir, director of finance at the automobile company, signed the MoU at the latter's head office in Tejgaon, Dhaka recently, according to a press release.

Under the agreement, Uttara Motors Limited will offer Prime Bank customers and employees various benefits, including special prices on Suzuki vehicles, exchange facilities for vehicles of any brand and buyback options for future vehicle upgrades.

The benefits will also include a three-year warranty, free maintenance packages, access to a nationwide network of 10 workshops, dedicated relationship manager support and doorstep services within Dhaka city.



ABM Humayun Kabir, director of finance at Uttara Motors Limited, and Mamur Ahmed, senior executive vice-president and head of distribution at Prime Bank PLC, pose for a photograph after signing a memorandum of understanding at the automobile company's head office in Tejgaon, Dhaka recently. PHOTO: PRIME BANK

Sajid Rahman, senior executive vice-president and chief business officer of CnIB & Commercial Banking; Joarder Tanvir Faisal, executive vice-president and head of consumer assets & cards; and Takiyan Chowdhury, executive vice-president and head of secured consumer financing & embedded payments, attended the programme.

Mongla port

FROM PAGE B1

pieces of modern equipment would be installed at the new facilities, which are expected to handle more than 30 containers an hour.

The MPA will also create facilities for hazardous cargo. Together with the extra container capacity, these measures are expected to raise annual cargo-handling capacity to 1.5 crore tonnes.

The port handled 1.22 crore tonnes in FY26, up 18 percent on the year before, according to MPA data.

According to the shipping ministry, China is financing most of the project. It would provide around Tk 3,600 crore in loans through the Export-Import Bank of China, and Bangladesh would bear the rest.

The China International Development Cooperation Agency and the Economic Relations Division signed the agreement on June 25, during the prime minister's visit to China.

China Civil Engineering Construction Corporation (CCECC), a subsidiary of China Railway Construction Corporation (CRCC), will be the engineering, procurement and construction contractor.

A high-level Chinese delegation led by CRCC chairman Dai Hegen is due to meet the prime minister today. Talks are expected to cover infrastructure development, industrial investment, special economic zones and ways to expand bilateral investment cooperation.

Invest Bangladesh and CRCC are also expected to sign a memorandum of understanding on investment cooperation, which would open the way for Chinese investment in infrastructure and industry.

Separately from the China-financed project, the port authority is carrying out a five-year dredging programme in different sections of the Pashur Channel to maintain its navigability.

However, the port, roughly 100 kilometres north of the sea, has no scanner facility, which slows cargo clearance.

Talking to The Daily Star, MPA Chairman Rear Admiral Arif Ahmed Mustafa said the port would boost economic activity in the southern and northwestern parts of the country by providing logistics facilities for imports and exports.

He said the expanded facilities could strengthen Mongla's position as an alternative gateway for the country's international trade, particularly for businesses in the southwestern region.

However, attracting more cargo and shipping lines, improving road connectivity and ensuring year-round navigability would be crucial to securing returns on the investment, he added.

The port mainly handles cargo and imported used cars. It recorded an average turnaround time of 3.44 days in FY26 and the arrival of 12,000 cars, up 4 percent on the year before, according to MPA data.

Banks' lending

FROM PAGE B1

The former banker also said the broader economic climate is poor. "Supply chains are disrupted, and commodity prices have risen. All in all, both the external and internal business environments are unfavourable."

LOWER BAD-LOAN PROVISIONS FLATTER PROFITS

Despite the fall in lending income, most listed banks reported higher profits in the first nine months of this year. They earned more from investments and set aside less money to cover bad loans, a practice known as provisioning.

Provisions across the 27 banks fell by almost a third, to Tk 6,900 crore from Tk 10,000 crore a year earlier.

At the 20 profitable banks, provisions fell by Tk 3,286 crore, more than the Tk 2,238 crore rise in their combined profits.

Adding provisions back shows the effect. Profit before provisions at these banks fell about 6 percent to Tk 16,150 crore from Tk 17,200 crore.

This is a rough calculation that ignores tax, but it suggests that lower provisioning, rather than stronger core earnings, drove much of the profit growth.

Dutch-Bangla Bank recorded the biggest fall in provisions, down Tk 823 crore, while its profits rose by about Tk 370 crore.

Among the five most profitable banks, Pubali Bank's profits rose by Tk 673 crore while its provisions fell by Tk 387 crore. Loan provisions also dropped at City Bank and Prime Bank.

BRAC Bank bucked the trend among the large lenders. Its profit rose 38 percent to Tk 2,120 crore even though provisions rose 80 percent to Tk 263 crore. Net interest income rose 42 percent to Tk 1,655 crore and net investment income rose 22 percent to Tk 4,143 crore.

The seven loss-making banks set aside just Tk 371 crore in provisions, against combined losses of Tk 13,340 crore.

Rupali Bank provisioned Tk 1 crore, IFIC Bank Tk 4 crore and National Bank Tk 9 crore, while Standard Bank and The Premier Bank set aside nothing.

Contacted by The Daily Star, Dutch-Bangla Bank said its loan provisions dropped because its non-performing loans fell.

Faisal Rahman, chief executive officer of Prime Bank, said their provisions for loans and advances have decreased because asset quality improved, non-performing loans declined and cash recoveries from classified loans and impaired assets increased.

The Daily Star tried to reach Pubali Bank by phone and SMS, but the lender did not respond by yesterday evening.

Meanwhile, ABB chairman Mashrur said provisioning by banks might have fallen because the commercial lenders wrote off loans.

He thinks the central bank should check whether any bank engaged in "window dressing" to overstate profits where provisions fell sharply.

BIBM Prof Ahsan said the central bank should take a tougher line on wilful defaulters and stop granting them regulatory concessions. Making borrowers repay would help restore confidence among banks.

He also urged the government to make the business climate more conducive and predictable, build confidence and cut red tape.

BB clears

FROM PAGE B1

a Tk 1,600 crore loan facility for the group, according to an official of one of the banks involved in the syndicated financing.

CONDITIONS

The notification said neither the government nor the central bank would bear any liability for the loans. City Bank and the other syndicate members would not be entitled to seek financial support from either in the future.

As security for the financing, City Group must provide unencumbered assets, those not pledged against other loans or liabilities, through registered mortgages.

Revenue from the sale of goods procured with the syndicated financing must be deposited into a designated bank account.

The lenders' dues will be repaid regularly from the account on a priority basis, in proportion to each bank's share of the financing.

The companies will purchase imported raw materials as representatives of the lenders' security agent and process them as custodians, according to the notification.

City Group owes around Tk 26,000 crore to over 40 domestic and foreign banks and financial institutions, some of which have already classified its loans as defaulted.

গণযোগাযোগ ও সাংবাদিকতা বিভাগ
বরিশাল বিশ্ববিদ্যালয়, বরিশাল
www.bu.ac.bd

Memo No: BU/MCJ/Media Lab/2025-26/01/06 Date : 04.11.2026

e-Tender Notice No: 01/2026-27

e-Tenders are invited on the National e-GP System Portal (http://www.eprocure.gov.bd) for the procurement of the following Goods/Works under the Revenue Budget of University of Barishal.

SL-No.	Tender ID No	Name of Goods/Works	Tendering Method	Tender/ Proposal Document last selling & Security Submission Date and Time	Tender/ Proposal Closing & Opening Date and Time
01	1365521	Procurement of Laboratory Equipment for the Department of Mass Communication and Journalism , University of Barishal.	OTM	05-Nov-2026 12:00 & 19-Nov-2026 13:00	19-Nov-2026 12:00 & 19-Nov-2026 12:00

This is online Tender, where only e-Tenders will be accepted in the National e-GP portal and no offline/hard copies will be accepted. To submit e-Tender, registration in the national e-GP system portal (http://www.eprocure.gov.bd) is required. The fees for downloading the e-Tender Document from the National e-GP System portal have to be deposited online through any registered Bank's branch.

Further information and guidelines are available in the National e-GP System Portal and from e-GP help desk (helpdesk@eprocure.gov.bd)

(Md. Forhad Uddin)
Chairman
Department of Mass Communication and Journalism
University of Barishal
E-mail : forhadmcj@gmail.com
Mobile Number: 01832240210

GD-2681

Govt seeks

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According to a finance ministry statement, the delegation met Hwang Kiyeon, chairman and chief executive officer of KEXIM, to review the $3 billion Economic Development Cooperation Fund (EDCF) framework arrangement for 2023–2027.

The discussions covered three priority projects: the MRT Line-5 Southern Route, the Matlab Uttar–Gazaria Bridge and the purchase of 260 broad-gauge passenger carriages for Bangladesh Railway.

KEXIM officials said the allocation of EDCF funds was under review and that individual project proposals would be assessed in consultation with relevant South Korean authorities.

Bangladesh proposed a clear roadmap for using the remaining funds and sought cooperation in emerging areas such as artificial intelligence, digital transformation, smart infrastructure and resilient supply chains.

SOVEREIGN FUND TO ATTRACT INVESTMENT

In separate talks with KIC, the delegation discussed attracting institutional investment in renewable energy, digital ecosystem development and commercial infrastructure.

It presented the proposed Bangladesh Sovereign Fund as a potential investment vehicle. Both sides discussed combining KIC's equity investments with KEXIM financing through South Korean fund managers.

Sovereign wealth funds are government-owned investment vehicles that use foreign exchange reserves or other public assets to make long-term investments, often in overseas markets.

Bangladesh planned to establish such a fund in 2017 using part of its foreign currency reserves to invest in infrastructure and support economic growth. However, the plan was later scrapped.

In a bilateral meeting with Chang Huh, second vice-minister of South Korea's Ministry of Economy and Finance, Khosru called for stronger economic ties between the two countries.

He proposed a strategic partnership covering trade, advanced manufacturing, energy, shipbuilding and digital technologies.

Bangladesh also welcomed South Korea's technical support for the ADB-assisted Integrated Growth and Development (IGND) master plan and encouraged greater Korean involvement in its financing and implementation.

The South Korean side expressed interest in further discussions on digital transformation, alternative financing and wider participation in the plan.

Artificial intelligence (AI) was another major focus of the visit. In talks with LG AI Research, the delegation discussed developing a Bangladeshi large language model (LLM) that reflects the country's culture and languages.

They also explored the use of AI in education, healthcare, manufacturing and public administration.

Discussions with FuriosaAI focused on developing Bangladesh's high-value technology sector, supporting its ambition to become a regional hub for AI and data centres. KEXIM also expressed interest in exploring infrastructure projects that incorporate AI.

The delegation also encouraged major South Korean companies to move beyond traditional contracting and consider long-term investments and public-private partnerships (PPPs).

BB sells

FROM PAGE B1

situation have emerged following the US midterm elections, which saw Democrats gaining full control of both chambers of the US Congress, and Israel's general election, in which Prime Minister Benjamin Netanyahu's ruling religious-nationalist coalition officially lost its majority.

Oil and dollar prices fell in the global market yesterday, and the situation is expected to improve in Bangladesh too, the official said.

After a long period of stability, the dollar rate has been rising for the past few days.

It crossed Tk 124 in the interbank market this week, and the dollar was sold at Tk 124.35 on each of the last two days, up from Tk 124.30 the two days before.

At the start of October, the rate was Tk 123, and it had reached Tk 123.99 by the last working day of the month, data showed.

For a year and a half after the Awami League's fall, the interbank rate had stayed between Tk 121 and Tk 122.30. It has been climbing since March this year.

Government of the People's Republic of Bangladesh
Ministry of Social Welfare
Admin-02
Bangladesh Secretariat, Dhaka

No-41.00.0000.000.017.07.0010.26.1301 Date: 01-11-2026

Invitation for e-GP Tender

01	Ministry/Division	Ministry of Social Welfare
02	Agency	Ministry of Social Welfare
03	Procuring Entity Name	Ministry of Social Welfare
04	Procuring Entity Code	Not Applicable
05	Procuring Entity District	Dhaka
06	e-GP Tender ID	1363188
07	Invitation Ref No	41.00.0000.000.017.07.0010.26.1300
08	Date	01.11.2026
Key Information:		
09	Procurement Method	**Open Tendering Method (Framework Agreement)**
Funding Information:		
10	Budget and Source of Funds	Revenue Budget/GOB
Particular Information:		
11	Tender Packages/Lots	Procurement of Computer Consumable (Printer Toner Cartridge) [Framework Agreement] for Ministry of Social Welfare.
12	Tender Publication Date	01 November 2026
13	Tender Last Selling Date	15 November 2026, Time 02.30 PM
14	Tender Submission Date and Time	16 November 2026 Time 01.00 PM
15	Tender Opening Date and Time	16 November 2026 Time 04.00 PM
16	Name and Address of the Office(s)	**Address:** Senior Assistant Secretary (Admin-2) Ministry of Social Welfare Room No-301, Building No-06, Bangladesh Secretariat, Dhaka, Bangladesh
	Selling and Receiving of Tender Document	
	Opening of Tender Document	
17	Place/Date/Time of Pre-Tender Meeting (Optional)	12 November 2026 Time 04.00 PM
Information for Tenderer (IFT):		
18	Brief Eligibility and Qualification	1. Trade license valid for 2027 must be submitted. 2. e-TIN Certificate, Income Tax Clearance Certificate with acknowledgement slip for the financial year 2025-2026 must be submitted. 3. Bank Solvency Certificate must be submitted. 4. VAT Registration Certificate with last three-month online submission copy (3 months) must be submitted. 5. Required Tender Security (Bank Draft / Pay Order / Bank Guarantee) must be submitted. 6. Bank Statement for 1 year must be submitted. 7. Specific Completion Certificate with NOA for supply of Computer Goods must be submitted. 8. Minimum 05 (Five) years of general experience of the Tenderer in the supply of Goods and related services as Supplier. 9. Satisfactory completion of supply of Similar Goods of each NOA/work order of minimum Tk. 30,00,000.00 (Taka Thirty Lakh), for minimum 02 (two) NOA/work orders, supported by submitted NOA/work order with completion certificate in the last 3 years counting backward from the date of publication of IFT in the newspaper (ITT-15), must be submitted 10. Minimum amount of liquid assets i.e. working capital or credit line(s) of the Tenderer shall be Tk. 30,00,000.00 (Taka Thirty Lakh). 11. Financial Statements, Audit Report and Profit-Loss Balance Sheets of the last 3 (Three) years from the date of publication of this Invitation must be submitted. 12. Formal Undertaking of being non-Blacklisted or not debarred in any Procurement Entity from Government / Autonomous Body should be submitted 13. Manufacturer Authorization Certificate/Letter from direct OEM (Authorization Letter must be according to the format given in Form ePG3-5) must be submitted. 14. All Item Brochure / Catalogues must be submitted.
19	Brief Description of Goods	Package-1: Procurement of Computer Consumable (Printer Toner Cartridge) [Framework Agreement] for Ministry of Social Welfare.
20	Brief Description of Related Goods	Package-1 When and if required.
21	Price of Tender Document	Package-1: BDT. 1,000

22	Package	Identification of packages	Location	Tender Security Amount (Tk.)	Completion Time
	1	Procurement of Computer Consumable (Printer Toner Cartridge) [Framework Agreement] for Ministry of Social Welfare	Ministry of Social Welfare, Bangladesh Secretariat, Dhaka	BDT. 58,800.00 In favor of Senior Assistant Secretary (Admin-2), Ministry of Social Welfare, Bangladesh Secretariat. Dhaka	Yearly (2026-2027)

Procuring Entity Details:		
23	Name of Official Inviting Tender	Mr. Md. Ishahaque Ali
24	Designation of Official Inviting Tender	Senior Assistant Secretary (Admin.-2)
25	Address of Official Inviting Tender	Ministry of Social Welfare, Room No-301, Building No-06, Bangladesh Secretariat, Dhaka, Bangladesh
26	Contact details of official Inviting Tender	Phone: 9515534 Email: dsadmin2@msw.gov.bd
27	Special Condition: This Tender Notice will be available at the Ministry of Social Welfare website: www.mosw.gov.bd	
28	All Activities Will be done According to (PPA-2006/PPR-2025)	

01.11.2026
Md. Ishahaque Ali
Senior Assistant Secretary (Admin.-2)

GD-2678



Nearly 100 established furniture brands compete with more than 40,000 small, medium and cottage workshops across the country. The photo was taken from Khulna city yesterday.
PHOTO: HABIBUR RAHMAN

Economic gloom takes the shine off furniture industry

Manufacturers say sales down by up to 30% as households cut back on non-essentials

JAGARAN CHAKMA

Furniture sales have fallen by up to 30 percent from their pre-Covid peak, according to manufacturers, as years of stubbornly high inflation leave households with little money for non-essentials.

Political turmoil, business uncertainty, a real-estate slump and cheap imports have also dulled demand, they say, while rising costs for raw materials, labour, electricity and other inputs add to the pressure.

"Overall, the market situation is very bad," said Selim H Rahman, chairman and managing director of Hatil Furniture, a popular brand. "The usual business growth is no longer there."

The local furniture market is worth about Tk 30,000 crore, according to Invest Bangladesh. Nearly 100 established brands such as Hatil compete with more than 40,000 small, medium and cottage workshops across the country.

These unbranded makers dominate the local market, accounting for about 65 percent of sales, according to the Bangladesh Furniture Industries Owners Association (BFIOA).

Selim said the industry is now going through one of its toughest periods, with many brands selling only 70 percent to 75 percent of their previous volumes. He said growth was stronger between 2016 and 2018, when local makers were exploring opportunities overseas.

"People now simply do not have enough money in their pockets. That is the main issue," he said.

The current wave of high inflation began sharply in mid-2022. Since FY2022-23, average annual inflation has stayed above 9 percent, while wage growth has remained below it. The International Monetary Fund (IMF) projects average inflation of 10.9 percent in the current fiscal year 2026-27, and real GDP growth of 3.2 percent.



That could blunt the usual winter boost for the domestic market, when many weddings take place and families move into newly bought apartments, buying furniture to fill their homes.

Selim said manufacturers are struggling to cover costs with fewer customers. They cannot easily cut production or shut factories, however, because they still have to pay workers and meet other regular expenses.

"We have to keep the business running, even if profit margins are low. There is no other way," he added.

The recent furniture fair offered some relief, Selim commented. He said it drew a good number of visitors and helped exhibitors secure orders and bookings.

Most unbranded manufacturers, however, were largely unable to share in that boost.

Altaf Hossain, proprietor of Altaf Furniture, one of the largest unbranded showrooms on Begum Rokeya Sarani in Mirpur, Dhaka, said sales have yet to recover because customers remain reluctant to spend.

"Rising living costs have left households with little beyond their basic needs, forcing many to delay buying furniture," he said.

He said furniture prices have risen over the past three years because of higher raw material, manufacturing and transport costs, but weak demand has made it hard to raise them further.

Altaf said he spends about Tk 4 lakh a month on showroom rent, staff salaries, utility bills and other costs. Poor sales over the past three years have put his business under growing strain.

"The current business environment is not favourable at all. People have very little money left after meeting their daily needs, and they are simply not willing to spend on furniture right now," he said.

A Karim Mojumdar, managing director of Nadia Furniture Ltd, another major brand, said the slowdown has pushed furniture down households' list of priorities as they focus on essential spending.

"Furniture is something people buy when they have extra money. But people simply do not have that money now. Buying furniture has almost become a luxury," he said.

Karim, who is also general secretary of the Furniture Industries Owners Association, said businesses that once sold Tk 100 worth of furniture are now selling only about Tk 70.

Even so, manufacturers say they have little choice but to carry on and hope the market recovers.

"Business may not be as good as we expect, but we have to keep going and hope things will improve," he said.

Bangladesh must prepare for EU textile rules

MD MOHIUDDIN RUBEL

The European Union has spent four years building a regulatory architecture for sustainable textiles. It is the shift in market access Bangladesh's RMG industry has faced since the Multi-Fiber Arrangement ended. The foundation is the EU Strategy for Sustainable and Circular Textiles, adopted in 2022: by 2030, every textile on the EU market should be durable, repairable, recyclable, made from recycled fibres, free of hazardous substances, and produced with respect for social rights. The Strategy is not binding law, but binding rules built on and alongside it are already in force.

The Carbon Border Adjustment Mechanism entered its definitive phase on January 1, 2026 and does not cover textiles. The Commission's December 2025 proposal extends CBAM to roughly 180 downstream products from 2028, including fabricated metals, machinery, vehicles and appliances. Council and Parliament lists in trilogue exclude textiles, so the threat is not imminent. The Corporate Sustainability Reporting Directive and Corporate Sustainability Due Diligence Directive were narrowed by the EU Omnibus reform, in force since March 2026. CSRD now applies only to companies above 1,000 employees and €450 million turnover; CSDDD to those above 5,000 employees and €1.5 billion, with substantive duties deferred to July 2029. Far fewer EU buyers must now legally police supply chains. That relieves rather than removes pressure, since buyers in scope, and many who are not, will keep passing emissions data, supplier mapping and labour records downstream.

The Ecodesign for Sustainable Products Regulation is where urgency is greatest, though on a longer timeline than assumed. From July 19, 2026, large EU companies are banned from destroying unsold textiles and footwear; medium-sized firms follow from 2030, and small and micro enterprises are exempt. This would not touch Bangladeshi factories directly



Traceability, chemical compliance and circular design are becoming prerequisites for EU market access. Manufacturers should not wait for buyers to ask

but will tighten buyer forecasting and shrink speculative orders, since overproduction can no longer be landfilled or incinerated. The bigger story is the Digital Product Passport. Its registry went live in July 2026, but the textile-specific delegated act, defining what data a passport must carry, is expected around the end of 2027, with application at least 18 months later. Realistic compliance lands around 2029. Direction matters more than the date: fibre composition, origin and recyclability will need to be recorded in verifiable digital form, accessible via QR code. This is a production systems challenge, not a customs formality. Factories that cannot generate batch-level material data would not meet passport requirements, and buyers will ask for proof well before any legal deadline. A few years sounds comfortable. It is not, for a factory starting from zero.

The revised Waste Framework Directive, in force since October 2025, mandates extended producer responsibility schemes for textiles, rolling out in 2027-2028. Eco-modulated fees will push brands towards recyclable design, making mono-material construction and recycled content real differentiators. The Empowering Consumers for the Green Transition Directive, applying from September 27, 2026, bans unsubstantiated environmental claims, so vague "eco-friendly" language would not survive scrutiny. Existing rules are tightening too: REACH Regulation 2023/2055 restricts synthetic polymer microparticles, with reporting live from May 2026 and wider supplier reporting from 2027, and rules on microfibre shedding from polyester and nylon are in development.

The message is consistent: traceability, chemical compliance and design for circularity are becoming prerequisites for EU market access. Bangladeshi manufacturers should not wait for buyers to ask. Our industry has time to prepare. It does not have time to wait.

The writer is the founder and CEO of Bangladesh Apparel Voice. He can be reached at mohiuddinrubel@gmail.com

Gold jumps more than 2%

REUTERS

Gold prices rose over 2 percent on Wednesday, bolstered by a weaker US dollar after Democrats seized control of both the Senate and House in US midterm elections, while investors await non-farm payrolls data for clues to the Federal Reserve's policy path.

Spot gold climbed 2.4 percent to $4,021.68 per ounce by 0718 GMT, while US gold futures for December delivery rose 2.3 percent to $4,031.20.

We've seen gold benefit from the fact that yields and the dollar have dropped, and that's because of this opinion that the gridlock that could emerge between the executive and the legislature in the US now could slow the amount of spending in the US, said Kyle Rodda, senior financial market analyst at Capital.com.

Global stocks slumped, and the dollar hit a one-month low on Wednesday as Democrats scored a decisive win in the US midterm elections, fuelling fears the Democratic sweep could disrupt the data-centre buildout that has powered the AI trade and hurt tech spending. A softer dollar makes greenback-priced bullion more affordable for buyers overseas.

Additionally, the demand for protection against a potentially more unpredictable and confrontational Trump administration looks to be providing a compelling backdrop for gold buyers, said Chris Weston, head of research at Pepperstone.

Asia hopes Democrats can provide relief from Trump's Iran war, tariffs

REUTERS, *Launceston*

Asian nations that have borne the brunt of the US-Israeli war on Iran and US President Donald Trump's trade tariffs are hopeful that Democrats will be able to temper his most harmful policies.

Democrats were on track to claim the House of Representatives and the Senate in US midterm elections, with early results from Tuesday's voting showing gains against Republicans.

While Trump will remain in office, his ability to get his way might be constrained by Democrats, who can use congressional powers to control government spending and launch investigations into Trump, his family and his allies.

The Iran conflict is the most pressing issue for Asian countries, especially importers of fossil fuels like crude oil, refined products and liquefied natural gas (LNG). The war launched by the US and Israel on February 28 has seen energy prices surge across Asia, especially for refined fuels, with Singapore gasoil - the building block for diesel - closing at a record high of $199.89 a barrel on March 30.

It has since eased to end at $164.18 a barrel on Tuesday, but this is still 80 percent higher than the $91.42 from the day before the Iran war started. Spot LNG prices for delivery to North Asia have tripled since the start of the conflict to $32.50 per million British thermal units, while Australian thermal coal at Newcastle Port, a grade popular with utilities in Japan and South Korea, has jumped 30 percent to $151.15 a metric ton.

It's not just the price increases that have spooked Asian economies; there have also been issues with securing supply, given the continent was the destination for about 80 percent of crude oil and refined fuels from the Middle East.

Australia, the world's largest importer of diesel and a close US ally, had to scramble to ensure sufficient supplies in the early months of the conflict, effectively leveraging its exports of coal and LNG to ensure buyers of these products were able to supply liquid fuels in return.

Asian energy importers will be hoping that Democrats can limit Trump's ability to continue the war against Iran, while at the same time encouraging a diplomatic end to the conflict. If Asian economies are to lower the risk of recession, then limiting energy-led inflation is seen as vital.

Asian countries, particularly US allies such as Japan, South Korea and India, will also be hoping that Democrats in Congress will be able to moderate the worst impacts of Trump's trade policies, which have seen unilateral tariffs imposed and unrealistic promises made in order to seal deals offering some relief.

There is a Trump policy that many Asian countries will be hoping continues: his administration's efforts to build supply chains outside China for critical minerals. This has seen US investment into mines and processing facilities and an increase in capital available for new projects.

Given that there is bipartisan support for many of these efforts, it's likely that Democrats would be broadly supportive of continuing to invest in minerals like rare earths, tungsten and lithium, with the caveat that they may want to launch investigations into companies with ties to Trump that have benefited from funding.



People queue up to refuel their vehicles at a gas station in Chennai on March 12, 2026. If Asian economies are to lower the risk of recession, then limiting energy-led inflation is seen as vital.
PHOTO: AFP/FILE

Toyota set for first profit rise in six quarters

REUTERS, *Tokyo*

Toyota is forecast to report its first increase in operating income in six quarters on Thursday, as a weaker yen and robust demand for its more profitable hybrid vehicles offset slumping sales in China and the Middle East. The absence of US tariff-related costs that hit earnings a year earlier will also help.

Operating profit for the world's biggest automaker in the July-September quarter is predicted to surge 18 percent to 992 billion yen ($6.3 billion), according to the median estimate of nine analysts surveyed by LSEG.

Revenue was predicted to rise 8 percent to 13.4 trillion yen. Global sales of Toyota and Lexus vehicles fell 4 percent to just over 2.5 million units during the period, hit hard by a 22 percent decline in China and a one-third drop in the Middle East.

But the Japanese automaker saw higher-margin electrified vehicle sales in North America jump more than 30 percent to almost 430,000 vehicles, although overall sales volumes in the US rose less than 1 percent.

With gasoline prices rising, there is demand for more fuel-efficient hybrids, said Yuya Takahashi, an analyst at Marusan Securities. The key is how many of those more profitable hybrids are being sold. Toyota's performance in China, the world's largest auto market, is likely to remain a key concern for investors as fierce competition from domestic brands amid a rapid shift to EVs is challenging its gasoline-powered and hybrid-heavy lineup.

The pain was visible at supplier earnings with Denso last week reporting a more than one-third drop in operating profit in Asia for the six months through September, hit by weaker vehicle sales in China and higher material costs. Investors will also be looking at Toyota's growing investments in factory automation, vehicle software and autonomous driving. Toyota has estimated it could cost 1 trillion yen annually from 2028 to modernise its factories as it steps up automation and robotics deployment.