Business

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starbusiness@thedailystar.net



Businesses should tap US trade deal opportunities

Experts say the pact needs wider discussion

STAR BUSINESS REPORT

Bangladesh should explore business opportunities under the Agreement on Reciprocal Trade (ART) with the United States, as the deal could open up new areas of trade and investment, a senior leader of the American Chamber of Commerce in Bangladesh (AmCham) said yesterday.

However, experts said the agreement needs wider discussion and greater transparency so businesses and the public can understand both its benefits and drawbacks.

"Businesses should examine the agreement to identify which products and inputs stand to benefit. The ART is already shaping business decisions, and the next opportunities lie in exports, inputs and new sectors. However, the results will depend on how the agreement is implemented and how businesses respond," said Ala Uddin Ahmad, vice-president of AmCham.

He was presenting a keynote paper on the ART and changing trade relations between the two countries at a seminar held on the sidelines of the 30th US Trade Show at the InterContinental Dhaka.

Businesspeople, diplomats, bankers, exporters and importers attended the seminar, moderated by Mahbub ur Rahman, chief executive officer of HSBC Bangladesh.

Ala Uddin also pointed to opportunities in agricultural products such as wheat and soybean, liquefied natural gas (LNG), energy security partnerships, digital technology and semiconductors.

Bangladesh and the US signed the ART on February 9 this year to expand bilateral trade.

Businesses should examine the agreement to identify which products and inputs stand to benefit, said Ala Uddin Ahmad, vice-president of AmCham

FASTER DELIVERY KEY TO WINNING BUYERS

As a panel discussant, Syed Nasim Manzur, president of FLAXA, said US buyers had been slow to source products from Bangladesh not because of tariffs but because of long delivery times.

He said Bangladesh had made significant progress in product quality, delivery and compliance. The country had also developed world-class manufacturing capabilities in sectors beyond apparel, including plastics, light engineering, food and pharmaceuticals.

However, it still takes too long to deliver products, he said.

China takes 30 to 45 days to deliver manufactured goods, compared with 45 to 72 days for Vietnam and 70 to 90 days for India.

In Bangladesh, knitwear takes around 45 to 60 days, while woven garments need 70 to 100 days. The leather goods industry takes around 100 days, he added.

"This makes us too slow. US retailers and brands want products faster," he said.

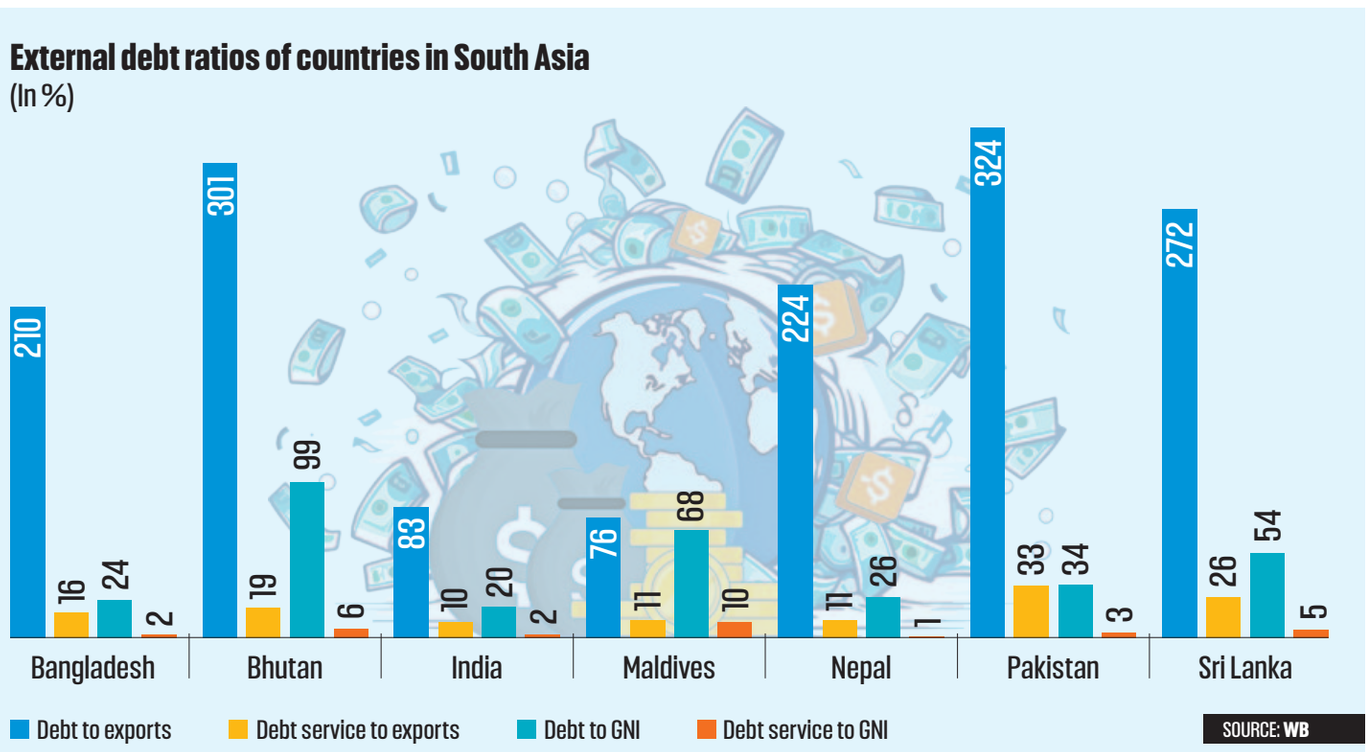
The US is a key market for Bangladesh if it wants to become a major global manufacturing hub, Nasim said.

"You cannot be a globally significant manufacturer if you do not sell to the United States of America.

READ MORE ON B3

Foreign debt nearly triples in a decade

Economists say debt is manageable for now, but exports are small, borrowing costs are rising and grace periods are shortening



STAR BUSINESS REPORT

Bangladesh's foreign debt has almost tripled in 10 years, a steeper rise than in any other South Asian country except the Maldives, according to the World Bank.

Even so, the country has a lower debt burden relative to export earnings than Pakistan, Sri Lanka and Bhutan. However, its burden is higher than that of India and Nepal.

According to the World Bank's International Debt Report 2026, Bangladesh's total foreign debt stood at $113 billion at the end of 2025, up from about $38 billion in 2015. That is the third-largest stock in South Asia.

Economists say the indicators are manageable for now, but Bangladesh could face repayment trouble if borrowing keeps growing at this pace and the money is not put to proper use.

In the South Asia region, India holds the largest external debt stock at $764 billion, up 59 percent in a decade. Pakistan follows at $135 billion, almost double the level of 10 years ago.

In Sri Lanka, foreign loans rose 31 percent to $57 billion. External debt rose 186.5 percent to $11 billion in Nepal and 57 percent to $3.3 billion in Bhutan. The Maldives recorded a more than fourfold increase to $4.7 billion.

REPAYMENTS TAKE 16% OF EXPORTS

Debt servicing took 16 percent of Bangladesh's export earnings in 2025, 3.1 percentage points less than the year before. That is the share of export income spent on repaying principal and interest on foreign loans, and a falling ratio is a positive sign of repayment capacity.

Even so, it remains above India and the South Asian average of 10 percent, though below Sri Lanka at 26 percent and Bhutan at 19 percent.

Measured against gross national income (GNI), servicing costs are low. At 2 percent, Bangladesh matches India and the regional benchmark, against 5 percent in Sri Lanka and 6 percent in Bhutan.

The country's debt-to-GNI ratio, which is external debt as a percentage of the national income, stands at 24 percent. It is a manageable level but slightly above the South Asian aggregate of 21 percent. The ratio is 20 percent in India, 41 percent in Pakistan and 54 percent in Sri Lanka.

Set against what the country earns from exports, the debt looks heavier.

External debt stands at 210 percent of Bangladesh's annual exports, more than twice what the country earns each year from foreign trade and other income.

That is far above India at 83 percent and the South Asian aggregate of 95 percent, but below Pakistan at 324 percent, Bhutan at 301 percent and Sri Lanka at 272 percent.

WARNING ON BORROWING

Zahid Hussain, a former lead economist at the World Bank's Dhaka office, said Bangladesh still does better than Pakistan and Sri Lanka on these indicators but trails India.

"If foreign debt keeps growing at the current pace, it would not be surprising if Bangladesh eventually faced a situation similar to Sri Lanka's," said the economist.

"If you are not prudent about the types of debt you take and how you use the borrowed funds, becoming another Sri Lanka is only a matter of time."

He said comparing Bangladesh with Pakistan is difficult, given Pakistan's particular geopolitical and strategic situation.

Zahid said exports matter because the debt-to-GDP ratio shows very little about a country's ability to repay. A large economy is not enough; it also needs adequate liquidity, which is why the export ratio is important.

On this measure, Bangladesh is also vulnerable because its export base is small and heavily dependent on a single product category. Its exports as a share of GDP are among the lowest, he said.

"Remittances add to foreign currency earnings, but even counting them India stays far ahead because its remittance income is much higher. Sri Lanka, similarly, receives large numbers of tourists and earns substantial foreign currency from tourism," he added.

READ MORE ON B3



New rules set for Ctg port operator appointments

DWAIPAYAN BARUA, *Ctg*

The government has formulated new rules governing the appointment of berth, terminal and ship-handling operators at Chattogram port, paving the way for a more structured process of engaging private operators.

The Ministry of Shipping issued the Chittagong Port Authority (Appointment of Berth, Terminal and Ship Handling Operators) Rules, 2026 through a gazette notification published on November 5.

Issued under the Chittagong Port Authority Act, 2022, the rules outline a framework for issuing and renewing operators' licences, making appointments, defining responsibilities and overseeing their activities at the country's premier seaport.

Under the rules, the Chittagong Port Authority (CPA) can issue licences to the required number of berth, terminal and ship-handling operators for cargo and container handling at its berths, jetties, terminals and outer anchorage within the port limits.

This is the first time gazetted rules have been formulated to govern the licensing and appointment of private operators.

CPA Secretary Syed Refayet Hamim said the Chittagong Port Authority Act, 2022, stipulated that regulations should be formulated for appointing berth, terminal and ship-handling operators. The new rules were framed accordingly.

The selection process must follow an open tendering procedure to ensure transparency and competition, in accordance with the Public Procurement Act, 2006, and the Public Procurement Rules, 2025.

However, applicants must obtain the relevant operator's licence from the CPA before participating in the tender process.

READ MORE ON B3

Jute centre seeks free outlets at key transport hubs

Says outlets at airports and stations would help make jute goods more affordable and widely available

SUKANTA HALDER

The Jute Diversification Promotion Centre (JDPC) PLC wants to open jute product outlets at airports, metro stations and railway stations, rent-free or at nominal cost, to boost the promotion and sales of jute items.

"Airports, metro stations and similar places are gateways to Bangladesh and its capital. We are seeking small spaces at these locations at subsidised, nominal or symbolic rates, or even free of charge," Md Jahid Hossain, managing director of the JDPC, told The Daily Star over the phone.

"If we had to pay market rates for space at metro stations and airports, we would not be able to sustain our jute product outlets," he added.

He said JDPC has not been able to present finished jute products to common people. "Our core job is promotion and availability, and we are completely behind there."

Jahid described jute as a "slow item". Being a natural fibre, he said, its price is somewhat higher than competing items, especially plastic. "If we want to make it available to consumers, the government will need to give some incentive."

An official of the textiles and jute ministry, speaking on condition of anonymity, said JDPC had asked the civil aviation and tourism ministry for 100 square feet of space at airports about a year ago.

However, the official said the request was refused. "They could not assure us of the duty-free area free of cost or at a nominal price."

Earlier this year, JPDC officials approached Afroza Khanam Rita, who was the civil aviation minister before being reassigned to the food ministry in August, with the same request.

According to the jute ministry official, Afroza had assured them that she would consider space for jute goods at the third terminal of the Dhaka airport once it becomes operational.



A senior official of the jute ministry, seeking anonymity, said they have also reached out to the Prime Minister's Office regarding the matter. "The government is showing a lot of interest now, so let's see."

The JDPC, established in 2002 under the jute ministry, has 1,113 registered entrepreneurs under it, who have developed 282 varieties of diversified jute products. The centre has two sales outlets, and it sells roughly Tk 10-15 lakh worth of products per month.

Jahid said the organisation has not written to the metro or railway authorities so far, but will approach them if they can secure a space at airports through the civil aviation ministry.

"The government does not make our products. SMEs, small entrepreneurs, make them. When our products sell, it means a small entrepreneur's product has sold. However you put it, we need space in these places," he said.

Mohammad Ali, assistant director of the JDPC, said, "If we could build a multi-vendor marketplace, every entrepreneur in the country could buy and sell through it."

"If we could also use national and international payment gateways, we could first create market demand," he said.

SPOTLIGHT



GSMA pushes for cheaper spectrum renewals

MAHMUDUL HASAN

The GSMA, a global association of mobile network operators, has urged the telecom regulator to set spectrum renewal prices at the lower end of its consultant's valuation range, saying spectrum costs in Bangladesh are already much higher than regional and global averages.

In a letter to Bangladesh Telecommunication Regulatory Commission (BTRC) Chairman Maj Gen Md Emdad Ul Bari (Retd) on November 1, the association made the request ahead of the November 10 expiry of the existing spectrum licences for the 900 MHz, 1800 MHz and 2100 MHz bands held by Grameenphone, Robi and Banglalink.

The BTRC has proposed a total renewal fee of around Tk 21,250 crore for the three operators. The proposal, which would extend their licence validity by 20 years, has been sent to the government for approval.

The proposed rates are 10 to 30 percent lower than the existing spectrum allocation prices for the three bands. The regulator arrived at the rates based on a study by an independent consultant.

The GSMA welcomed the BTRC's research-based approach, the proposed 20-year renewal term and flexible payment arrangements.

READ MORE ON B3

IDRA to settle Tk 20cr in claims in fourth phase

UNB

The Insurance Development and Regulatory Authority (IDRA) will launch the fourth phase of its claim disbursement drive today to settle long-pending valid claims and restore public trust in the insurance sector.

A total of Tk 20.15 crore will be distributed among 5,972 policyholders of five life insurance companies, the regulator said in a press release yesterday.

Fareast Islami Life Insurance Company will pay Tk 8.37 crore to 1,074 policyholders, while Homeland Life Insurance Company will settle Tk 5.04 crore in claims for 3,163 customers.

Padma Islami Life Insurance Company will disburse Tk 5 crore, Progressive Life Insurance Tk 1.67 crore and BAIRA Life Insurance Tk 7 lakh to their policyholders.

IDRA said it remains committed to protecting policyholders' interests, ensuring fair claim settlements and improving transparency, accountability and governance in the insurance sector. It added that such initiatives would continue to support the sustainable development of the industry.

NRBC Bank to fund frozen food sector under BB scheme

STAR BUSINESS DESK

NRBC Bank PLC has signed a pre-financing agreement with Bangladesh Bank to provide loans at concessional rates to export-oriented frozen food businesses under a Tk 2,000 crore refinancing scheme.

The scheme will support entrepreneurs involved in the production, processing and export of frozen shrimp, fish, fishery products and other frozen food items, according to a press release.

Under the agreement, eligible businesses will be able to obtain loans at interest rates of up to 7 percent.

The financing facility will support the procurement of raw materials for export-oriented frozen food products, commercial cultivation, modernisation of processing facilities, purchase of necessary machinery, establishment of cold storage facilities and reopening of closed or partially operational processing plants.

The scheme is expected to ease financing constraints for exporters and encourage investment in the frozen food industry, the press release said.

AKM Sayduzzaman, director of Bangladesh Bank's Agricultural Credit Department-2, and Md Touhidul Alam Khan, managing director and chief executive officer of NRBC Bank, signed the agreement at the central bank's headquarters recently.



PHOTO: NRBC BANK

AKM Sayduzzaman, director of Bangladesh Bank's Agricultural Credit Department-2, and Md Touhidul Alam Khan, managing director and CEO of NRBC Bank, shake hands after signing a pre-financing agreement at Bangladesh Bank headquarters recently.

Arief Hossain Khan, executive director of Bangladesh Bank, attended the signing ceremony as the chief guest, while senior officials from both institutions were also present.

Md Shaheen Howlader, deputy managing director and chief business officer of NRBC Bank, Md Ramjan Ali Bhuiyan, head of the bank's SME and Agri Business Department, Muhammad Ansarul Kabir, additional director of Bangladesh Bank, and Tanjia Sultana, joint director of Bangladesh Bank, were also present, along with senior officials from both organisations.

Eastland Insurance celebrates 40 years

STAR BUSINESS DESK

Eastland Insurance PLC, a first-generation non-life insurance company, has celebrated its 40th anniversary with a gala event at the Radisson Blu Water Garden Hotel in Dhaka.

The event marked four decades of the company's operations since its inception in 1986, recognising its contributions to trade, commerce and industry, according to a press release.

Minister for Environment, Forest and Climate Change Abdul Awal Mintoo and Sayeed Ahmed, chairman of the Parliamentary Standing Committee on the Ministry of Public Administration, were present, among other guests.

In his welcome address, Mahbubur Rahman, chairman of Eastland Insurance, paid tribute to the company's founders and late colleagues for laying its foundation.

He said the insurance industry's contribution to gross domestic product was only 0.35 percent, compared with an average of 2.5 percent in emerging markets.

Bangladesh also remained the only country where motor insurance was not mandatory, he said, urging the government to review the Road Transport Amendment Act 2024 to improve road safety.

Mahbubur said the insurance industry had helped protect the private sector through major challenges, including the Covid-19 pandemic, the Russia-Ukraine war, the July Uprising, the Israel-Iran war and recent crises in industrial belts.

He also urged the government to take stronger measures to prevent further damage to export-oriented industries.

Since its inception, Eastland Insurance has paid a total of Tk 183 crore in dividends, with a cumulative dividend record of 721 percent, settled Tk 453 crore in claims and contributed Tk 88 crore in taxes to the national exchequer, the chairman said.

Industrialists, bankers, corporate executives, representatives of the Bangladesh Insurance Association and long-standing clients also attended the event.

The celebration concluded with the recognition of the company's longest-serving clients and corporate partners, followed by a cultural programme and dinner.



PHOTO: EASTLAND INSURANCE

Mahbubur Rahman, chairman of Eastland Insurance PLC, cuts a cake with guests at a ceremony marking the company's 40th anniversary at Radisson Blu Water Garden Hotel in Dhaka.

Southeast Bank reviews business performance, sets strategic priorities

STAR BUSINESS DESK

Southeast Bank PLC had organised a 'Strategic Business Directions' meeting on Friday, November 6, at its head office to align strategic business priorities, address key operational challenges, and formulate forward-looking action plans for sustainable growth.

The meeting was attended by MA Kashem, chairman of the bank, Nasir Uddin Ahmed, Md Rafiqul Islam, directors, and Md Azizul Haque, independent director.

Md Khalid Mahmood Khan, managing director of Southeast Bank, presided over the meeting, according to a press release.

The meeting was attended by the bank's senior executives, heads of all branches, and regional heads, providing a platform for strategic discussions, knowledge sharing, and collaborative efforts to achieve the bank's strategic objectives.

The chairman and members of the board of directors provided strategic guidance to the management team, emphasising the importance of operational excellence, improved business performance, and sustainable growth and long-term success in 2026 and beyond.

The meeting included a comprehensive review of the bank's overall business performance and operational activities.

Discussions covered deposits, advances, loan recovery, exports, imports, guarantees, profitability, and other business matters, focusing on identifying challenges, exploring opportunities, and strengthening overall business performance.

The meeting concluded with a renewed commitment to translate the strategic directions into actionable plans, overcome existing challenges, and achieve the bank's strategic objectives and sustainable growth in the years ahead.



MA Kashem, chairman of Southeast Bank, attends the 'Strategic Business Directions' meeting alongside other officials at its head office in Dhaka on Friday.

PHOTO: SOUTHEAST BANK



Shahriar Hoque, chief executive officer of BRAC IT Services Limited, and Md Nazmul Huda Sarkar, deputy managing director and chief technology officer of Midland Bank PLC, pose for a photograph after signing a memorandum of understanding at a ceremony held in Dhaka recently.

PHOTO: MIDLAND BANK

Midland Bank signs MoU with BRAC IT for technology collaboration

STAR BUSINESS DESK

Midland Bank PLC (MDB) has signed a memorandum of understanding (MoU) with BRAC IT Services Limited (brac IT) to explore potential collaboration in software development and technology-driven banking solutions.

Md Nazmul Huda Sarkar, deputy managing director and chief technology officer of the bank, and Shahriar Hoque, chief executive officer of the software company, signed the MoU at a ceremony in Dhaka recently, according to a press release.

The agreement aims to establish a framework for exchanging business, technical, financial and operational information between the two organisations while maintaining confidentiality.

It will facilitate discussions on potential software development projects, technology integration and other digital initiatives while ensuring the protection of sensitive information shared during the evaluation and planning stages. Imtiaz U Ahmed, managing director of the bank, attended the signing ceremony as the chief guest.

Through this collaboration, Midland Bank aims to explore innovative technology solutions to strengthen its digital banking infrastructure, improve operational efficiency, enhance service delivery and provide customers with more convenient and secure banking experiences.



Md Zahid Hossain, deputy managing director and chief business officer of Mercantile Bank PLC, and AKM Sayduzzaman, director of the Agricultural Credit Department-2 of Bangladesh Bank, pose for a photograph after signing the agreement at the central bank's headquarters in Dhaka recently.

PHOTO: MERCANTILE BANK

Mercantile Bank joins BB's Tk 2,000cr fund for frozen food sector

STAR BUSINESS DESK

Mercantile Bank PLC has signed a participatory agreement with Bangladesh Bank to join the central bank's Tk 2,000 crore pre-financing fund aimed at supporting the country's export-oriented frozen food industry.

The fund seeks to boost foreign exchange earnings, create employment opportunities, expand rural economic activities and facilitate access to finance for entrepreneurs in the sector, according to a press release.

AKM Sayduzzaman, director of the Agricultural Credit Department-2 of Bangladesh Bank, and Md Zahid Hossain, deputy managing director and chief business officer of Mercantile Bank, signed the agreement at the central bank's headquarters in Dhaka recently.

Arief Hossain Khan, executive director of Bangladesh Bank, attended the signing ceremony as the chief guest.

Among others, Muhammed Ansarul Kabir, additional director of Bangladesh Bank, and Mohammad Hasibul Hakim Khan, focal point officer of the Sustainable Finance Unit at Mercantile Bank, were also present.



PHOTO: BRAC BANK

Tareq Refat Ullah Khan, managing director and CEO of BRAC Bank, and Dr Arif Dowla, managing director of ACI PLC, exchange documents after signing a partnership agreement at ACI headquarters on November 4.

BRAC Bank to provide ACI with financing solutions

STAR BUSINESS DESK

BRAC Bank has signed a comprehensive partnership agreement with ACI PLC to provide a range of banking and financing solutions, including digital and alternative financing, to the conglomerate and its subsidiaries.

Under the agreement, BRAC Bank will facilitate digital cash collection through Bangla QR, smart point-of-sale (POS) terminals and designated payment channels for ACI's distributors and dealers, according to a press release.

The bank will also offer digital financing through its "SHAFOLLO" platform, allowing eligible borrowers to access loans through a streamlined process with automated disbursement.

The partnership will include tailored distributor financing to meet working capital and inventory needs, as well as supply chain financing facilities such as inventory financing, factoring and reverse factoring.

BRAC Bank will also introduce virtual account-based collection facilities for distributors and dealers to improve transaction efficiency.

In addition, the agreement covers agricultural credit lines and specialised financing for contract farmers across ACI's agricultural value chain.

Beyond these services, the agreement establishes a framework for exploring future strategic initiatives, including mutually agreed financial pilots and innovative banking solutions tailored to evolving business requirements.

Tareq Refat Ullah Khan, MD and CEO of BRAC Bank, said the partnership would help improve operational efficiency, strengthen business linkages and expand access to finance for distributors, suppliers and agricultural partners.

Dr Arif Dowla, MD of ACI PLC, said the collaboration would enhance operational efficiency, improve access to finance across the company's distribution and agricultural networks and create opportunities for sustainable growth.

Tareq Refat Ullah Khan and Dr Arif Dowla signed the agreement on behalf of their respective organisations at ACI headquarters on November 4.



Farmers cultivate and harvest sugarcane to supply state-owned mills, where the crop is processed into sugar amid challenges from ageing machinery and low recovery rates. PHOTO: COLLECTED

Nine sugar mills to begin crushing by Dec 18

STAR BUSINESS REPORT

The country's nine state-owned sugar mills are beginning their crushing seasons in phases, with the government setting December 18 as the deadline for all nine to start operations.

The development comes as the loss-making industry continues to struggle with low sugar recovery, outdated machinery and inadequate sugarcane supplies.

North Bengal Sugar Mills in Gopalpur, Natore, has already started crushing, producing around 400 tonnes, said Md Shamsuzzaman Suruz, chairman of the Bangladesh Sugar and Food Industries Corporation (BSFIC).

Natore Sugar Mills and Rajshahi Sugar Mills are scheduled to begin on November 13, he said. According to a Ministry of Industries notification published in the Bangladesh Gazette on November 2, Zeal Bangla Sugar Mills in Dewanganj, Jamalpur, will start operations on November 27, followed by Thakurgaon Sugar Mills on December 4.

The remaining four mills -- Joypurhat Sugar Mills, Carew & Co (Bangladesh) in Darshana, Chuadanga, Mobarakganj Sugar Mills in Naldanga, Jhenaidah, and Faridpur Sugar Mills in Madhukhali -- are scheduled to begin crushing on December 18.

The notification replaces the schedule set by a government notification issued in August 1994 and takes effect immediately.

Suruz said BSFIC was monitoring crushing and sugar production daily. Recovery at the beginning of the season is around 5 percent, but the corporation hopes to raise it to 6 percent or more as crushing progresses.

"We are taking special initiatives to improve recovery. There are some technical and other factors behind the low rates, and we are looking into those issues," he said. Officials have also been deployed to ensure mills receive clean, good-quality sugarcane.

The corporation is testing improved sugarcane varieties in Madhukhali and Natore before considering their introduction elsewhere, he added.

BSFIC reported an overall loss of Tk 554.36 crore in FY2024-25, up from Tk 508.24 crore a year earlier, according to its annual report. The losses cover the corporation's establishments, not just its nine operational sugar mills.

Only Carew & Co (Bangladesh) Ltd among the nine mills posted a profit, earning Tk 97.08 crore during the year.

Sugar production cost stood at Tk 260.14 per kilogramme, including interest, and Tk 181.73 excluding interest, while the government's fixed selling price was Tk 125 per kilogramme.

The nine mills crushed 839,211 tonnes of sugarcane and produced 46,187 tonnes of sugar in FY2024-25, against annual domestic demand of around 20 lakh tonnes. The average recovery rate rose to 5.50 percent from 5.07 percent a year earlier.

BSFIC attributed the industry's losses to inadequate sugarcane supplies relative to crushing capacity and declining efficiency caused by ageing factories and machinery. Six of its 15 mills have remained closed since FY2020-21.

Like cars, Chinese motorcycles out to conquer Europe

AFP, *Rho, Italy*

Just as with electric cars, Chinese motorcycle brands are roaring into European markets, with high-performance, cut-price models starting to make a name for themselves.

At EICMA in Milan, Europe's biggest motorcycle show, visitors were jostling on Friday around the stand of CFMoto, one of the main Chinese brands sold in Europe.

The firm from Hangzhou has gained attention by producing engines and assembling models for Austria's KTM, then by winning two Moto3 (250cc) championships in 2024 and 2026.

Fans of BMW, Honda and Ducati came to Milan to admire a powerful model fitted with winglets, as well as the off-road machine ridden by the brand's new ambassador, Spanish rider Mario Roman.

"They're beautiful. They may not have exactly the same materials... as the Japanese manufacturers, but at this price, it works," said Renato Polistene, a 64-year-old Italian craftsman, who was looking at the stand.

Currently riding a KTM, Polistene said he could consider choosing Chinese for his next bike, especially because prices for other brands "have gone up a lot" and they tack on "too many options" to the base price.

In 2025 China became the EU's second-largest supplier of motorcycles, behind Japan, accounting for 27.1 percent of imports with sales at one billion euros, according to a report published Thursday by the European Association of Motorcycle Manufacturers (ACEM).

The growth has been spectacular in the most powerful models, a segment traditionally dominated by European and Japanese manufacturers.

In six years, China has gone from a marginal supplier to a key player in the European market: it now accounts for nearly one-third of imports of motorcycles over 250cc, compared with just seven percent in 2019.

The European press, which first looked at the bikes with scepticism, now tests them like any others in its comparison reviews.

For British magazine Motorcycle News, 2026 is "the year where we see a switch."

At the Cyclone brand's stand, a band was belting out "Volare" at full blast while hostesses threw T-shirts bearing the name of the brand of the Zonsen group from Chongqing, China's two-wheeler industry capital.

Another Chinese giant, Qianjiang Motorcycle (QJ Motor), has itself become a little Italian by buying in 2005 one of the country's national prides, Benelli.

New startups are joining the big established names, like ZXMoto, founded by Zhang Xue, a former mechanic and rider.

Thanks to his participation in the Dakar Rally, he propelled another brand, Kove, onto the international stage before founding his own.

Alessia, 27, a police officer from Turin who did not wish to give her last name, had come to look at her next Triumph model but stopped at the ZXMoto stand.

"I was really impressed by the design," she told AFP, noting that new brands on the market can "spark curiosity".

In the French market, it's "a true revolution coming from the East," wrote Bertrand Mace, president of the two wheel division of French automotive association Mobilians, in a press release.

CFMOTO established itself in October as the fifth brand on the French market, overtaking long-standing players such as Triumph, Suzuki, KTM, and Yamaha.

In its wake, Zontes has doubled its sales in a year, and QJMotor and Voge are booming, according to Mobilians.

"Aggressive pricing, combined with an undeniable move upmarket, is hitting the mark with customers whose purchasing power is under pressure," said Mace.

At the CFMoto stand, executives from a major Italian brand stopped by on Wednesday to have a look at the high-speed sport bike.

"We'll have to see its price, but in the long run it could hurt us," commented one of them, who asked to remain anonymous.



This picture shows workers preparing to test assembled motorcycles at the ZXMOTO factory in Chongqing, China. PHOTO: AFP/FILE

GSMA pushes

FROM PAGE B1

However, citing its 2025 study titled The Impact of Spectrum Pricing in Bangladesh, the association said spectrum costs account for around 15.7 percent of mobile operators' recurring revenues in the country. This compares with a median of 10.4 percent in Asia-Pacific and 7.7 percent globally.

It also found that inflation-adjusted revenue per MHz fell 69 percent between 2014 and 2023.

"Renewal costs should therefore leave operators with enough capacity to keep investing in network quality, capacity and coverage, including in rural and underserved areas," the letter said.

The GSMA acknowledged that it had not yet reviewed the BTRC's pricing study. However, based on media reports, it said the proposed rates might be higher than the lower end of the consultant's valuation range for all three bands.

The association made four recommendations to the regulator.

First, it urged the BTRC to use the 700 MHz spectrum price only as an upper benchmark for valuing the 900 MHz band.

The proposed rates appear to draw on the January 2026 assignment of 700 MHz spectrum, which offers better coverage, particularly indoors, the GSMA said.

It also pointed out that the 700 MHz spectrum was sold at the reserve price, providing little evidence of competitive bidding.

Moreover, spectrum renewal is different from a fresh assignment, as operators are already using these frequencies to serve consumers. The annual price per MHz for the 900 MHz band should therefore be lower than that for 700 MHz, it argued.

Second, the association said the proposed 20-year renewal term should be valued separately rather than by simply extending the 15-year valuation in proportion to the longer period, as media reports suggest may have been done.

"Spectrum value does not necessarily rise in line with licence duration," the letter said.

It added that the later years of a licence carry greater market, technological and investment uncertainty and should therefore have lower present values.

Third, the GSMA proposed equal annual instalments over the 20-year licence period. This would give the government a predictable revenue stream while allowing operators to maintain their investment capacity.

Fourth, it called for a review of VAT on spectrum payments and annual spectrum charges.

The association argued that recurring charges on spectrum already acquired at market prices add another layer of costs for mobile operators.

Foreign debt

FROM PAGE B1

COSTLIER LOANS AHEAD

Prof Mustafizur Rahman, a distinguished fellow at local think tank Centre for Policy Dialogue (CPD), said the debt-to-GDP and debt-to-export ratios are rising gradually, but the most important indicator is the ratio of net exports to debt servicing.

He said that about 85 percent of export earnings come from readymade garments, where domestic value addition is 60-65 percent. The ratios would therefore be significantly higher if net exports were used.

Recent loans carry relatively high interest rates and shorter repayment and grace periods, so the ratios will rise rapidly in the coming years, said Mustafizur, as Bangladesh already faces growing debt pressure.

Government debt servicing was $4.9 billion in the last fiscal year and is projected to reach $7.6 billion by 2029, as interest rates climb while grace and repayment periods shrink. The interest rate in Japan, for example, has risen from below 1 percent in 2021 to above 3 percent, he said.

He said Bangladesh needs to raise exports and domestic value addition, improve domestic resource mobilisation and reduce its reliance on foreign borrowing to finance the Annual Development Programme.

"Global financing conditions are tightening. Bangladesh will still need foreign loans, but should negotiate better terms and secure more concessional financing," he said, adding, "It could also consider raising funds through bond issuance."

According to the World Bank report, foreign debt of developing countries rose 5.5 percent to a record $9.4 trillion in 2025, the fastest growth since 2021 and about four times the average pace of 2022-24.

Debt-service pressure remained severe amid elevated global interest rates. Low and middle-income countries paid $1.4 trillion in principal and interest in 2025, up 1.9 percent and the fifth consecutive annual rise.

Between 2022 and 2025, developing countries paid $436 billion more in debt service than they received in new financing.

New rules set

FROM PAGE B1

A seven-member committee, headed by a CPA member, will scrutinise licence applications, prepare a shortlist and interview the owners or authorised representatives of shortlisted firms. It will also include representatives from the University Grants Commission, the Ministry of Shipping and the Ministry of Law, Justice and Parliamentary Affairs.

The committee will submit its recommendations to the CPA chairman for placement before the authority's board for approval.

Applicants must submit documents including trade licences, income tax clearance certificates and other prescribed papers. Those seeking berth and ship-handling licences must demonstrate their capacity to provide the manpower, machinery and equipment needed for cargo handling, loading, unloading, storage and delivery.

The application fee is Tk 1 lakh and is non-refundable. Successful applicants must deposit Tk 50 lakh as security with the authority. The government may revise the security amount through a gazette notification.

Licences must be renewed every five years, subject to compliance with the prescribed conditions.

INTERNATIONAL OPERATORS

The rules also provide for the appointment of international terminal operators at Chattogram port.

Subject to government approval, the CPA may appoint such operators under the Invest Bangladesh Act, 2026, or through the Public Procurement Act, 2006, and its associated rules.

The rules state: "Notwithstanding anything contained in these Rules, the Authority may, with the approval of the appropriate authority, appoint an international terminal operator in accordance with the provisions of the Invest Bangladesh Act, 2026 (Act № 104 of 2026), or the Public Procurement Act, 2006 (Act № 24 of 2006), and the rules or policies made thereunder."

An operator's appointment will generally be for a maximum of five years, although the government may approve a longer term.

Terminal operators must provide the equipment, machinery, technology and skilled manpower needed to handle containers and cargo. They will also be responsible for their efficient movement, loading, unloading and storage.

Operators must comply with the CPA's regulations, standard operating procedures and other directives. They must protect port property, ensure workplace safety and comply with labour laws, including provisions on workers' wages, benefits and safety.

The authority may suspend or cancel licences for violations, including failure to meet operating standards, irregularities in cargo handling, employing unauthorised workers, fraud and other misconduct.

The rules provide operators with an opportunity to respond to allegations before their licences are cancelled, as well as avenues for review and appeal against the authority's decisions.

The new rules will take precedence over any inconsistent existing regulations, policies, guidelines, office orders or board decisions of the CPA.



Chittagong Port Authority can issue licences to the required number of berth, terminal and ship-handling operators for cargo and container handling. PHOTO: STAR/FILE

Businesses should

FROM PAGE B1

Simple. So, if you want to sell to the US, you need to compete on speed," he added.

Fahmida Khatun, distinguished fellow at the Centre for Policy Dialogue (CPD), said discussions about the ART had been limited since it was first introduced. Many people still lacked basic information about the agreement, she added.

Tariffs are among the most important and widely discussed parts of the deal, she said.

However, she said its success should be judged by the results, including how much revenue it generates, how many jobs it creates, how much investment it attracts and whether it raises productivity.

Productivity is particularly important as Bangladesh competes with countries such as Vietnam, China and Cambodia, which are more productive, she added.

Shams Mahmud, managing director of Shasha Denims, said although Bangladesh had signed the deal nearly a year ago, there had been little discussion about how its value addition formula would work.

"While we have discussed how to benefit from the deal, there has been hardly any discussion about the mechanism through which Bangladeshi exporters can actually gain from it," he said.

Ali Arsalan, country representative of Cotton USA, said the tariff-rate quota for duty-free garment exports to the US using imported American cotton under the ART was still unclear.

He said Bangladesh needed to make industry experts and businesses more aware of the opportunity so they could factor the potential advantage into their pricing.

DBH targets semi-urban markets for housing loans

Bangladesh's mortgage market has significant potential, particularly as financial institutions look beyond established urban centres to reach a wider customer base.

Nasimul Baten
Managing Director and CEO of DBH Finance PLC



The lender sees significant potential in expanding housing finance nationwide, its CEO says in an interview with The Daily Star

JAGARAN CHAKMA

DBH Finance PLC plans to expand its housing finance business beyond major cities, targeting semi-urban markets to reach new borrowers and tap the country's largely underdeveloped mortgage market.

DBH Finance PLC aims to expand its branch network from 19 to at least 25 by the end of next year, targeting promising semi-urban markets while keeping housing finance at the core of its operations, said managing director and CEO Nasimul Baten.

"We want to expand our geographical reach, particularly in semi-urban areas where there is business potential," he told The Daily Star in an interview marking the company's 30 years in business.

Housing finance will continue to account for 70 to 80 percent of the company's operations, he said, indicating that DBH intends to strengthen its core business rather than diversify into unrelated financial services.

The move comes as Bangladesh's mortgage market remains largely untapped. Housing loans account for less than 3 percent of the country's gross domestic product, compared with around 13 percent in India, suggesting considerable room for growth in long-term housing finance.

Nasimul said the market had significant potential, particularly as financial institutions looked beyond established urban centres to reach a wider customer base.

DBH has financed more than 65,000 families over the past three decades, disbursing approximately Tk 20,000 crore in housing loans during that period.

It has kept its non-performing loan (NPL) ratio below 1 percent throughout its history. At the end of 2025, the ratio stood at 0.84 percent, up from around 0.58 percent earlier.

The company provides financing for apartment purchases, home construction and renovation, with repayment tenures of up to 25 years. Its average loan size is around Tk 35 lakh nationally and Tk 40 lakh in Dhaka.

UNTAPPED DEMAND BEYOND MAJOR CITIES

The planned expansion reflects an opportunity to extend formal housing finance to households outside the country's major metropolitan areas.

While Dhaka remains the largest centre of housing demand, semi-urban areas are emerging as potential markets as residential development and demand for formal housing loans spread beyond established city boundaries.

However, the commercial viability of expansion will depend on local income levels, property prices, the availability of suitable housing projects and borrowers' ability to make regular repayments.

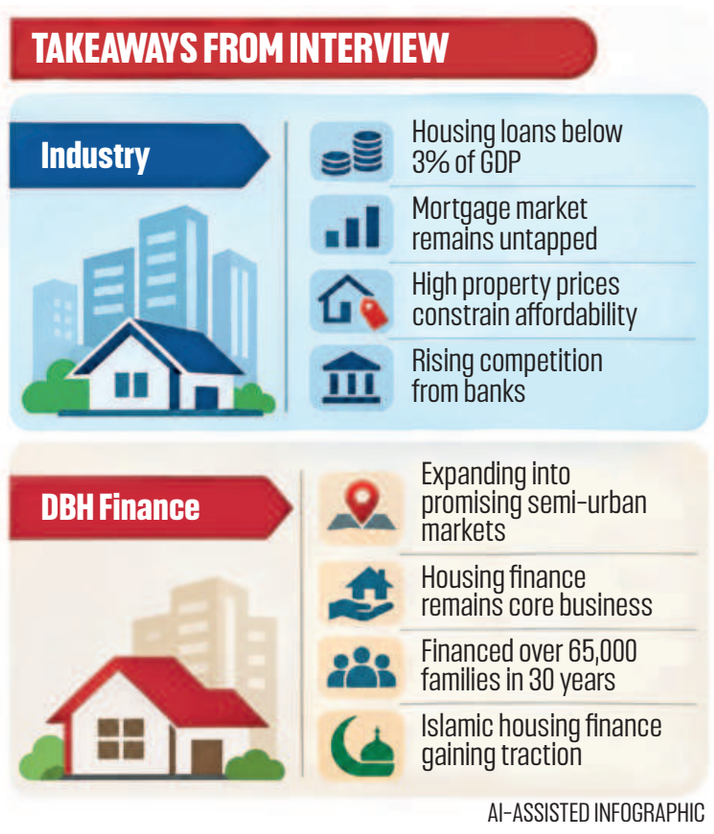
Nasimul said DBH would prioritise areas with adequate business potential rather than expand simply to increase its branch count.

REACHING BORROWERS WITH INFORMAL INCOME

One of the major challenges in expanding housing finance is assessing borrowers whose earnings are not fully reflected in formal salary statements or tax documents.

This is particularly relevant when financial institutions seek to reach entrepreneurs, small business owners and self-employed people whose income structures differ from those of salaried employees.

Over the past four years, DBH has started assessing informal income to reach borrowers who have the financial capacity to repay loans but cannot demonstrate it through conventional documentation.



AI-ASSISTED INFOGRAPHIC

Its officials visit businesses, examine transactions and estimate sales and profits to assess prospective borrowers' repayment capacity.

The company also uses machine-learning tools to support credit assessments, drawing on its experience with more than 65,000 borrowers. However, final lending decisions rest with its credit committee.

Nasimul said lending decisions were based primarily on borrowers' repayment capacity rather than the value of mortgaged property.

FUNDING COSTS POSE A CHALLENGE

Specialised housing finance companies face growing competition from commercial banks, which have access to cheaper funds.

DBH mainly finances its lending through deposits from households and corporates. Unlike banks, finance companies cannot mobilise low-cost current and savings deposits and depend largely on more expensive fixed deposits.

"This is uneven competition for us because our cost of funds is higher, while we are competing for the same set of customers," Baten said.

To diversify its funding sources, DBH issued a zero-coupon bond in 2022 and an affordable housing bond with the International Finance Corporation in 2024.

AFFORDABLE HOUSING REMAINS A CHALLENGE

High property prices and construction costs remain major obstacles to expanding housing finance.

An apartment in Dhaka can cost Tk 80 lakh to Tk 1 crore. This puts homeownership beyond the reach of many households earning Tk 50,000 to Tk 60,000 a month.

Citing an International Finance Corporation survey conducted in 2022, Nasimul said around 70 percent of Dhaka's population lived in rented accommodation.

He called for public-private partnerships involving government land, lower registration costs and a revival of Bangladesh Bank's housing refinance scheme to support affordable housing.

Smaller apartments measuring 600 to 700 square feet could offer middle-income families a more realistic route to homeownership.

DBH introduced Islamic housing finance in 2023, which now accounts for around 25 percent of its business. Under the arrangement, customers gradually purchase the financier's share of a jointly owned property while paying rent.

Nasimul said housing finance would remain the company's core business as it expanded into markets with sufficient growth potential.

What happened to Bangladesh's growth story?

MAMUN RASHID

For almost a decade, Bangladesh was celebrated as an economic success story. BBS reported growth of 8.15 percent in FY2018-19, and international institutions praised the country's performance. Yet private investment stagnated, productivity remained weak, banks were vulnerable and educated young people struggled to find jobs.

BBS's provisional estimate puts growth at 4.14 percent in FY2025-26, while the World Bank projects 3.4 percent in FY2026-27. The message is clear: growth momentum has weakened. This is not a sudden collapse. The slowdown reflects structural weaknesses accumulated over many years, often obscured by impressive headline figures. Bangladesh's national accounts have faced questions over data quality. Although BBS rebased its GDP series to 2015-16, measuring informal activity remains difficult. Informal employment accounts for 84 percent of total employment. Previous growth figures may not have reflected conditions experienced by businesses, workers and households. Statistical reform is essential.

Ready-made garments and remittances have driven Bangladesh's progress. The garment industry created millions of jobs, but exports remain concentrated in low-value products. Competitors have moved into design, technology and higher-value manufacturing, while Bangladesh has struggled to climb the value chain. Rising costs and changing trade policies add pressure. Bangladesh received a record $35.56 billion in FY2025-26, but has few channels to turn diaspora savings into productive investment. During the foreign exchange crisis in November 2024, reserves under the IMF's BPM6 methodology fell to about $18.6 billion, exposing the risks of import dependence and limited export diversification.



Bangladesh needs better-quality growth driven by productivity, competitiveness and strong institutions, not merely a return to headline growth rates alone

Banking weaknesses remain a constraint. Politically influenced lending, poor governance and weak loan recovery have undermined banks. The World Bank reported that non-performing loans reached 33.2 percent of banking sector loans in June 2026. Private sector credit growth fell to 4.17 percent in September 2026, its lowest in over three decades. With inflation above 8 percent, real credit growth has turned negative. Entrepreneurs face high borrowing costs, while viable firms struggle to secure working capital. Cleaning balance sheets, strengthening supervision and holding wilful defaulters accountable are essential.

Three areas need attention. Government revenue was 8.3 percent of GDP in FY2025-26, limiting spending on education, healthcare and infrastructure. A broader tax base and better compliance are vital. Gas shortages, transmission constraints, high costs and port inefficiencies undermine investment. Youth unemployment reflects a mismatch between graduates' qualifications and employers' needs. Technical training and stronger industry-academia links are essential.

Bangladesh must restore institutional credibility, strengthen BBS and ensure Bangladesh Bank can supervise financial institutions without political interference. Rebuilding the investment environment is important. Raising private investment from 22.48 percent of GDP in FY2024-25 towards 30 percent over the medium term requires predictable regulation, enforceable contracts, reliable energy, efficient logistics and access to finance on commercial terms. Export diversification, technology adoption and productivity must become development priorities.

Bangladesh has a young population, an entrepreneurial community, a hardworking diaspora and a manufacturing base. But potential alone cannot generate prosperity. Sound institutions, productive investment and quality jobs are essential. The question is whether Bangladesh can build an economy driven by productivity, competitiveness and institutional strength rather than headline numbers. It needs not simply to regain its previous growth rate, but to create better-quality growth, more jobs and wider opportunities.

The writer is an economic analyst and founding managing partner of PwC Bangladesh

India doubles rice sale target as price concerns loom

REUTERS, *Mumbai*

India has doubled its target for rice sales to private traders under its open market scheme to 5 million metric tonnes for the 2026-27 financial year to bring down prices that are rising on concerns over production, the government said on Friday.

India's rice production is set to fall this year for the first time in a decade, and by the most in nearly 20 years, as below-normal rainfall during the crop's maturation period threatens to cut yields, industry officials told Reuters.

New Delhi has allowed the southern states of Andhra Pradesh, Karnataka, Kerala, Tamil Nadu and Telangana to impose stock limits on rice and paddy until January 31, 2027, to ensure adequate supplies, curb hoarding and keep prices in check, the government said in the statement.

The government has already sold 2.5 million metric tonnes of rice to private buyers under the scheme this year, compared with 1.1 million metric tonnes during the corresponding period last financial year.

The government aims to ensure adequate rice supplies in the market and curb hoarding and black marketing.

US stocks always rise after midterms. Is this time different?

REUTERS, *Orlando, Florida*

The market meltdown following the Republicans' electoral drubbing on Tuesday could signal a rough year ahead for Wall Street. Yet history shows that US stocks typically rise in the year following midterm elections, and usually by quite a bit.

But if US President Donald Trump's second term has taught us anything, it is that many of the economic assumptions and market playbooks that shaped investor thinking for decades may no longer apply.

The Misinformation Monitor newsletter rounds up international misinformation narratives, with a "Real or Fake?" quiz in every edition. Sign up here.

So as the dust settles on the landmark midterms, the question is: is this time different? Investors' immediate reaction to the Democrats' thumping victory was certainly eye-opening — Wall Street shed $3.2 trillion and US chip stocks plunged 12 percent in their second-biggest fall on record on Thursday — amid worries that the Democratic-controlled Congress could slow the breakneck buildout of AI data centers.

Is this nervousness a sign of things to come?

If history rhymes, the outlook for the year after a midterm should be positive. In the 12 months after every midterm election since 1950, the S&P 500 has risen, gaining around 15 percent on average.

But the stock market rises over almost any 12-month period, one might argue. That's true, which makes a deeper dive into the data essential.

Since World War Two, the S&P 500 has risen in calendar years 71 percent of the time, posting an average gain of just over 9 percent and a median rise of 11.6 percent, according to analysts at Deutsche Bank.

So what about the 12 months after a midterm election? Between 1946 and 2022, the market was up 100 percent of the time after the vote, posting an average gain of 14.4 percent and a median return of 13.7 percent. That's a roughly 4- to 5-percentage-point advantage on average and around 2 points at the median.

What accounts for this? Partly, it's because of what typically happens before the midterms. The S&P 500's average rise in midterm election years since 1949 has been only 8.4 percent, according to Keith Lerner, chief investment officer at Truist Wealth Advisory. Uncertainty around the vote, balance-of-power shifts and policy implications builds ahead of the election and can weigh on returns.

After the vote, this uncertainty is, in theory, removed, while divided government and political gridlock reduce the likelihood of major, radical policy changes. Investors typically like that.

Lerner also notes a remarkable curiosity that helps explain the post-midterm outperformance. Since 1950, the US economy has never been in recession during the third year of a presidential term, that is, the calendar year after the midterms.

Lerner calculates that the S&P 500's average return in these years is 20.9 percent, significantly higher than the average in years one, two, and four across presidential cycles. While there is no single catalyst, stimulative fiscal policy enacted in the first two years often takes time to filter through, while Federal Reserve rate hikes historically just tend not to bite in that window.



A general view of the floor of the New York Stock Exchange in New York City. Investors' reaction to the Democrats' thumping victory was eye-opening as Wall Street shed $3.2 trillion on Thursday. PHOTO: AFP/FILE

World food prices dip in October

REUTERS, *Paris*

World food prices edged lower in October as weaker import demand contributed to monthly declines in cereal, dairy and meat prices, but were still nearly 6 percent higher than a year earlier, the United Nations' Food and Agriculture Organization said on Friday.

The FAO Food Price Index, which tracks monthly changes in international prices for a basket of food commodities, averaged 133.9 points in October, down from a revised 135.6 in September.

The index was 5.9 percent higher than a year earlier, but remained 16.4 percent below its March 2022 peak.

Lower wheat, maize, dairy and meat prices cut food costs, while sugar hit a near two-year high for a fourth straight month

FAO's cereal price index fell 4.5 percent from September and was 12.6 percent lower than a year ago, as wheat and maize quotations declined. Wheat prices eased on weak import demand and improved production prospects, especially in Argentina.

"Expectations of easing constraints on Black Sea export flows added to the downward pressure on prices, although continued disruptions to Black Sea logistics limited the decline," FAO said in a statement.

Maize prices also eased after reaching a three-year high in September, pressured by the US harvest, expectations of ample supplies in South America and renewed prospects of easing tensions in the Black Sea region.

Vegetable oil prices edged up 0.3 percent, as higher soybean and sunflower oil prices more than offset a fall in rapeseed oil prices.

Sugar prices rose 6.6 percent, their fourth straight monthly increase, to the highest level since December 2024, after rainfall disrupted harvesting in Brazil. They were now 28.8 percent above a year ago.