



REVIEW

TAMING INFLATION





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Taming inflation

Taming inflation, a pressing issue for some time, is a tricky affair. And, it is crucial, too. Controlling inflation is important to maintain economic stability. It is important to protect purchase power. And, it is important to foster sustainable growth. Inflation has been high, close to a double-digit figure, for about two years. The average inflation in the 2023 fiscal year was 9.07 percent. But, it was 5.56 percent in the 2021 fiscal year. The point-to-point inflation was 9.92 percent in September, as Bangladesh Bank statistics show, and food inflation was 10.4 percent. The average monthly income has, however, not increased in keeping with the increase in inflation for any adjustment to the cost of living. High inflation has, thus, affected people of varying socio-economic backgrounds. The poor, low- and fixed-income people households have come to be the worst victims of such high inflation.

In the wake of Covid breakout, when many people lost their job because of a reduction in economic activities and many used up their savings during the Covid-time lockdown period, high inflation hit people badly and it hit people of different economic backgrounds in different manners. As prices increased, the real income of these groups of people decreased. It eroded people's disposable income and purchasing power. A huge number of people are left to struggle with the high food and fuel prices. Many are reported to have cut down on their daily food consumption and stopped spending money on medical treatment and the education of children that they could not cope with any longer. The government of the Awami League, which was toppled in an uprising on August 5, is to blame for its failure to contain inflation as proactive measures were not taken in time and there were hardly any effective monetary and fiscal policies to counter the phenomenon.

People's expectations mounted after the political changeover as prices hardly showed any sign of decline. The central bank, therefore, chose to increase policy rates to tighten the money supply. Central banks the world over use this device to tighten the money flow in the economy and to tame inflation. It mostly works, too. But, the government's reliance alone on monetary policy

to contain inflation does not appear to have worked in Bangladesh. It is believed that when market inefficiency and mismanagement continue to be in place, the monetary policy cannot work optimally. Businesses were badly affected as the borrowing cost increased, credit flow slowed and production declined. The malaise of the previous government such as rent-seeking by organized groups, the extortion of money by law enforcement personnel, artificial shortage and other such issues, unfortunately, continue to be in place.

Experts, in such a situation, believe that certain short- and medium-term measures could be helpful in taming inflation. Major among them are an effective, comprehensive fiscal and monetary approach, a reduction in high indirect taxes on imported goods, quality public spending, more funds for social safety net programs, prudent foreign exchange reserve management, the stability of the taka, the arrest of illicit capital flow, food aid through open market sales, cash aid for the vulnerable segments of the population, effective reforms to bring about transparency in goods pricing, a strong Competition Commission to stop collusion and monopoly, the promotion of agricultural production with the deployment of modern technology to improve productivity and food supply, a smooth supply chain to arrest inflation, more investment in logistics and transport infrastructure, the mitigation of supply shocks of essential goods, the expansion of trade partnership, sufficient procurement of food grains directly from farmers at fair prices, improved connection between growers and the market and the promotion of digital markets for farmers.

A sustained reduction in inflation is a medium-term challenge that needs strong policy action to restore the expansion of import; and efforts to regain production momentum are also required. Coupled with all this, a prudent macroeconomic management composed of market-based exchange and interest rate policies, low fiscal deficits based on domestic resource mobilization and sound public expenditure policies. The government should also focus on short-term measures such as food import with low trade taxes and an increase in social protection spending **1**

Call for good law, order, lower interest rate and reforms

DCCI holds seminar on economy and outlook of Bangladesh

Bangladesh now walks down an unstable economic growth trajectory with slow GDP growth, coupled with a few other challenges such as currency devaluation, growing inflation, financial instability, labor unrest, concern about energy security and disruptions in key export industries, said Ashraf Ahmed, president of the Dhaka Chamber of Commerce and Industry at a seminar on the “Current State of Economy and Outlook of Bangladesh” that the Dhaka chamber organized in its auditorium on October 5.

A strategic, coordinated response is essential to face the challenges, said Ashraf Ahmed, noting that an early improvement in law and order is needed for the stability in the current business environment. He stressed the need for fast reforms in banking governance and suggested that the government should attend to non-performing loan and liquidity shortage issues.

He said that the government could pursue supply-side reforms to ensure a smooth distribution of essential goods and services to fight inflation. The diversification of energy sources and improvement in investments in the energy sector would be essential in safeguarding industrial productivity, he said. He also spoke of planned housing, education and health care in Ashulia and adjacent area to provide a low-cost living for workers.

Former President of Federation of Bangladesh Chamber of Commerce and Industry president Mir Nasir Hossain said that the recent labor unrest had tarnished Bangladesh’s image to the outside world. He said that not only the export-oriented industries but also industries based on the domestic market are also important. As for interest rate for manufacturing industries, he said that the real effective rate of interest is too high and it hampers entrepreneurs in their competition

on the international market. He said that reforms were badly needed in the National Board of Revenue and customs houses. Customs houses should be automated, he added.

The Leather Goods and Footwear Manufacturers and Exporters Association of Bangladesh president Syed Nasim Manzur said that businesspeople now feel insecure because of labor unrest and vandalism. People’s consumption has fallen remarkably, he said. He also said that a double-digit interest rate on industrial loan is not viable for sustenance on the competitive market. He said that foreign direct investment was needed for a country such as Bangladesh, but because of low confidence, it remains stagnant.

Moreover, the administration is still not working properly which is eroding confidence of investors. “We have to save the apparel industry as it has a multiplier impact on the overall economic value chain,” he said. He



DCCI President Ashraf Ahmed (center) seen speaking at a seminar on “Current State of Economy and Outlook of Bangladesh” held on October 05. Former President of FBCCI Mir Nasir Hossain (second from left), BKMEA President Mohammad Hatem (left), President of LFMEAB Syed Nasim Manzur (second from right) and Chairman and CEO of Pran-RFL Group Ahsan Khan Chowdhury (right) are also seen in the picture.

later said that workers were main assets of a factory and if they would live well, the factory could get the better output.

The Bangladesh Knitwear Manufacturers and Exporters' Association president Mohammad Hatem said that a good relation between owners, workers and labor leaders could mitigate unrest and stop violence in factories. He said that when factory owners did not get fair prices from buyers, they had to suffer. He requested the Bangladesh Bank to allow industry owners adequate time to repay their loans.

The Policy Exchange Bangladesh chair and chief executive officer Dr M Masrur Reaz said, 'We could not have the right policy at right time. This has caused a macro-economic crisis in the recent past. The confidence of investors is shattered now. Law and order, labor unrest and inflation have remained some pressing issues for the macroeconomic challenges, he said. "We have recently seen a commendable progress in the banking sector reforms. But we are

yet to see policy governance."


Former Dhaka chamber president Shams Mahmud, also managing director of Shasha Denims Ltd, pointed out that labor unrest in the Ashulia area disrupted the production. If the law and order does not come become normal, buyer's confidence would be harmed and orders may shift away from Bangladesh to other competitors. There may be issues related to wages and other matters and all this should be resolved through discussion, not through vandalism, he said.

The Pran-RFL Group chair and chief executive officer Ahsan Khan Chowdhury said that Bangladesh is a land of opportunity. He said that the main task of the business community is to create employment. "We want to see the police as they were. We want to see all law enforcement agencies back again to their full capacity," he said. He also said that with the high rate of interest, it is difficult to sustain. "We could have a reward system for good borrowers to discourage non-performing loans," he said. He said that there should

not be any restriction on the letter of credit now as the industries should run to create employment.

The Mastercard Bangladesh country manager Syed Mohammad Kamal said that digital spending remarkably fell in July–August as consumption declined. Because of the recent political event, flood and unrest in the hill districts, the tourism sector was badly hit. Supply chain in the e-commerce and F-commerce was also disrupted, he said. He then suggested incentivizing digital payment over cash payment.

Ambareen Reza, co-founder, chair and chief executive officer of Foodpanda Bangladesh urged low-cost fund for SMEs. She also said that number of loan defaulters in CMSMEs or startups is very negligible. She also emphasized low-cost internet across the country to ensure digital connectivity.

DCCI senior vice-president Malik Talha Ismail Bari and members of the Board of Directors attended the seminar 

DCCI chief calls for automation in port operation

The contribution of international trade to gross domestic product is about 25 percent and if this rate needs to be increased, the Dhaka Chamber of Commerce and Industry president Ashraf Ahmed said, automation of port operation, increased logistics facilities, better coordination of related public agencies, improving balance of payment conditions, more foreign exchange reserves and rational reduction in interest rate on bank loans are important issues for the government to attend to.

Ashraf Ahmed said that is at a focus group discussion, "Easing the Business System: An International

Trade Perspective," that the chamber organized in the DCCI Auditorium on October 15. In the keynote paper, Ashraf Ahmed said that in recent times, "The private sector has been plagued with various problems such as money devaluation, high inflation, foreign currency reserve shortage, high interest rate on bank loans and problems with the opening of letters of credit, etc."

Ashraf Ahmed also spoke about business expenses that are constantly increasing as a result of procedural complications and lengthy procedures at and ports. In the absence of port automation and inadequate testing

and scanning facilities, time is wasted and businesspeople constantly lag behind in international competition, he said.

Ashraf Ahmed also said that the government was setting an export target of 57.5 billion for the 2025 fiscal year. The government needs to ensure automation and modern facilities in all ports to increase the overall export. The Dhaka chamber chief emphasized increase in capacity through training of clearing and forwarding agents, ports employees and customs houses. Land, railway and river connectivity should also be improved.



DCCI President Ashraf Ahmed (second from left) speaking at a focus group discussion titled “Easing the Business System: An International Trade Perspective” held on October 15. Member (Finance) of Civil Aviation Authority of Bangladesh S M Lablur Rahman (second from right), DCCI Vice President Md. Junaed Ibna Ali (left) and Director Taskeen Ahmed (right) are seen in the picture.

Civil Aviation Authority of Bangladesh member (finance) SM Lablur Rahman, member (harbor and marine), member (harbor and marine) of the Chittagong Port Authority commodore M Fazlur Rahman, deputy secretary (director, traffic) of the Mongla Port Authority Md Kamal Hossain, joint secretary (WTO wing) of the commerce ministry Dr Farhana Iris and superintendent engineer of the Land Port Authority Md Hasan Ali attended the event as discussants.

S M Lablur Rahman said that in many cases, import-export process of goods seemed very-time consuming for lack of coordination between public agencies and the private sector. He said that once the operation of the third terminal of the Dhaka airport would begin, cargo facilities will increase by 2–3 times and three more cargo villages would be established there.

He said, “Time-based measurement system” of goods will be implemented soon to facilitate the process of clearing goods at airports.

The Chittagong Port Authority chair

Commodore M Fazlur Rahman, who joined the event virtually, said that for lack of coordination among the organizations of Chittagong port, container congestion and other obstacles are created in many cases. He emphasized an expeditious automation of the organizations and individuals involved in this process.

Md Kamal Hossain said that although there was necessary infrastructure at the Mongla port, the number of ships using this port was very poor. He urged the private sector to use the Mongla Port as much as possible. He said that in the past year, 1 crore 8 lakh tonnes of products and 32,000 containers were cleared through the port.

Farhana Iris stressed increasing the capacity of all concerned to improve the status of Bangladesh in international trade.

Md Hasan Ali said that commercial activities are carried through 24 land ports — 23 with India and 1 with Myanmar. He said that the project activities continued to automate all

land ports, which will be completed in two years. He also said that if it was possible to provide scanning facilities at land ports, the import-export process would be faster.

Dhaka chamber directors Taskeen Ahmed, Razeev H Chowdhury, former vice-president M Abu Hurairah, former director AKD Khair Mohammad Khan and convener Md Saifur Rahman also spoke.

Speakers also told that infrastructure development work worth of 4000 crore taka has been going on for land port development. They also urged for few alignment of jobs of customs department and land port authority to give smooth services. Land port automation will bring more profitability in the days to come. Trust between the public and private sector is more crucial for any development. The also suggested to strengthen the BSTI.

The Dhaka chamber’s vice-president Md Junaed Ibna Ali, board members and stakeholders from the public and the private sector attended **1**

Food inflation rides on high cost, inefficient market: DCCI survey

The Dhaka Chamber of Commerce and Industry as recently conducted a study to understand the dynamics of goods price changes and the supply chain to devise a monitoring mechanism to control the volatile commodity market. The study interviewed 600 respondents from 49 districts in eight divisions on 21 essential goods — 12 locally produced, five imported and four both imported and locally produced. AKM Asaduzzaman Patwary, executive secretary of the research and development department of the Dhaka chamber read out the keynote paper.

The study found that because of increased production cost, low supply, inefficient market mechanism, high transport cost and wholesalers' dominance on the market and limited bargaining power are few reasons for goods price increase. A few more reasons such as artificial crisis, letters of credit opening problem, seasonal price variation, depreciation of the taka and supply chain inefficiency,

inadequate storage facilities, limited market access by producers, etc are also there behind price fluctuation.

Major reasons for the food inflation are lack of match between the demand, production and imports of goods. An inefficient market system and information asymmetry, decrease in local production and high transport cost, high cost of fertilizers, seeds, oils and medicines are also to blame. The study suggests that the government should enhance data collection and dissemination to support effective decision-making, invest in the transport networks to ensure timely delivery of food items, develop more storage facilities to reduce food spoilage and wastage and streamlining the supply chain ecosystem.

The DCCI chief Ashraf Ahmed said that despite the high price differentiate between producers and consumers, producers were not getting reasonable price. Sometimes, indirect costs are responsible for

price increase, he said. "If we can reduce the input cost in storage and transport and processing stages, prices may come down." Moreover, he said that the waste of perishable items is huge and only processing can be a good solution to stop this loss. He underscored the importance of having proper supply and demand data, data analytics and assessment for effective policy guidelines. He requested a "tariff calendar" so that importers can plan import at a lower rate during off season. The overall coordination between public agencies is crucial in this regard, he said. This was conducted as a baseline survey, he added.

Dr Sayera Younus, executive director (research) of the Bangladesh Bank said that inflation control was the top priority of the central bank. She said that despite an increase in policy rate, inflation did not come down to the expected level and its main reason was non-economic factors. Not only that, a few other factors such as international market



Dhaka Chamber President Ashraf Ahmed (second from left), seen speaking at a dissemination seminar titled "Food Inflation: An Analysis on Price Dynamics of Essential Commodities" held on October 17. Executive Director (Research) of Bangladesh Bank Dr Sayera Younus (second from right), Joint Secretary (Trade Support Measures Wings), Ministry of Commerce Saifuddin Ahmed (left) and DCCI Vice President Md. Junaed Ibna Ali (right) were also present during the meeting.

dynamics, exchange rate increase and an increased import cost are also responsible for inflation. She said that strong monitoring was needed to control the price fluctuation.

Saifuddin Ahmed, joint secretary of trade support measures wing of the commerce ministry said that market data analysis was crucial for having appropriate policy guidelines. "We have to find out the actual demand, supply capacity, production capacity, seasonal demand, variation, etc. There should be annual statistics based on 'product calendar' as it would facilitate government's taxation process of imported goods and other procedures as well," he added. "We lose 1 per cent of our farm land and for it, the overall production of agro


based products reduces, increasing import dependency."

Md Moshiul Alam, joint chief of the Bangladesh Trade and Tariff Commission said that the government had recently reduced the duty on the import of raw sugar. He said "We need to plan our goods import well ahead the time we need them." He also iterated the importance of coordination among the government agencies concerned for a better functioning.

Swajan Hayder, deputy director of the Bangladesh Bureau of Statistics, said that the gap between supply and demand causes price increase. He said that there should be a separate study on the impact of transport cost on price spiral. "If we cannot contain

inflation, consumers have to re-adjust or sacrifice their daily expenditure with other important segments of livelihood which is also unexpected."

Razeev H Chowdhury, director of the Dhaka chamber, suggested that a comprehensive research under the public-private sector initiative with other stakeholders is needed to analyze market dynamics. He said that internationally the seed price had gone high. Moreover, power tariff increased a lot and it pushed up potato price. He also underscored the importance of a yearly import calendar.

The Dhaka chamber's vice-president Md Junaed Ibna Ali and board members also attended 

Coordination, structural reforms crucial for SMEs

The Dhaka Chamber of Commerce and Industry organized a focus group discussion on "Reform of SME Policy-2019 for Sustainable Growth and Innovation" in its auditorium on October 19. The Dhaka chamber president Ashraf Ahmed read out the

keynote paper where he said that only agro-based economy would not alone be sustainable. "We, rather, have to go for industrialization and services export."

He said that the CMSME sector is

a large sector that has the capacity to create adequate employment opportunities. About half a million graduates enter the job market every year. "If we allow the CMSME sector to grow, it will create enough employment for these graduates."



Dhaka Chamber President Ashraf Ahmed (third from left) seen presenting the keynote paper at a focus group discussion titled "Reform of SME Policy-2019 for Sustainable Growth and Innovation" held on October 19. Vice Chairman of Export Promotion Bureau (EPB) Md. Anwar Hossain (third from right), Director (skills and technology) of Bangladesh Small and Cottage Industries Corporation (BSCIC) Kazi Mahabubur Roshid (second from left) and Director (SME and Special Programs Department) of Bangladesh Bank Nawshad Mustafa (left) are also seen in the picture.

He also suggested to redefine the definition of SME and also uniqueness of the new definition for all government agencies including Bangladesh Bank that will help SMEs to get easier loan facility. He also put emphasis on easy access to finance, new model of financing like electronic nano-financing model, electronic channeling, automation of licensing and its renewal, high skills availability, intellectual property protection, high-speed broadband internet facility, addressing non-tariff measures and access to technology for the development of SME sector.

He proposed the establishment of a 'national industrial standard' to ensure the quality of products focusing to international market. He suggested a comprehensive database of SMEs so that "we can bring the informal sector into the formal sector which will add to the economy." The Dhaka chamber chief also said that the goals and objectives of the SME policy should be determined in keeping with the industrial policy and the five-year plan. He emphasized the inclusion of SME policy objectives in the budget and work plan activities of various organizations.

Md Salim Ullah, additional secretary (policy, law and international co-operation) of the industries ministry said that the government was trying to formulate an international standard SME policy. All the shortcomings in the previous policy will be addressed and the new one will try to reflect the requirement of all stakeholders for the betterment of the SME sector, he said.

Md Anwar Hossain, vice-chair of the Export Promotion Bureau, said that the main task of the bureau was to promote export-oriented industries, including SMEs. He also iterated the importance of automation in all client services of the government and the bureau was trying to make its all services automated. He also said,

"We need to strengthen the backward linkage industry, especially the SME sector, and the National Board of Revenue should consider simplified tax filing for CMSMEs." Beside ISO certification, "we need to set our own standard for our exportable products so that we can improve our products competitiveness in the global market."

Mirza Nurul Ghani Shovon, president of the National Association of Small and Cottage Industries of Bangladesh, said that there was a lack of coordination among agencies. He also said that if the government did not arrange the required fund for the implementation of the new SME policy, it would also remain unimplemented. He also suggested an arbitration system in the new policy.

Md Mahbubur Rahman Palash, executive vice-president and division head of the MSME & Emerging Business, Dhaka Bank, said that the government was going to reform the SME Policy 2019 after five years. He suggested that in the new policy, the trading sector, which is also a big sector, should not be ignored. Although there is a guideline on the disbursement of 25 percent of the total loan to SMEs, it was not achieved and the percentage is hovering around 17–17.5. He suggested an easier documentation process for SMEs so that they could get an easy access to capital fund.

Md Mosharref Hossain, associate professor at the Bangladesh Institute of Bank Management, said that without government's patronization, the SME sector will not develop. He suggested an SME innovation lab for small innovators. They should also get easy access to finance, he added. The government should have a separate seed fund/venture capital or startup fund for SME entrepreneurs.

Md Kyser Hamid, chief executive officer and managing director of

Bangladesh Finance Ltd, said that all financing organizations, banks or non-governmental organizations or microfinance institutions, want to give loans to SMEs but the current financing model hold back the disbursement. He also suggested the inclusion of the renewable energy sector in the SME policy.

Nawshad Mustafa, director, SME and special programs department at the Bangladesh Bank, said that there was a need for having various refinancing schemes and credit guarantee schemes because there are different types of SME entrepreneurs and their needs are also different. He urged a common center to promote small and cottage entrepreneurs.

Mohammad Yakub Hossain, executive director (regulation and research) of the Microcredit Regulatory Authority, said that in 2023, micro-financing institutions disbursed Tk 260,000 crore in loans to the SME sector. Ninety percent of the recipients were women. He suggested an easy documentation process for SME entrepreneurs for the access to loan. He said that there was no option but to go for automation to avoid corruption.

Kazi Mahabubur Roshid, director (skills and technology) of the Bangladesh Small and Cottage Industries Corporation, said that industries should not be established outside the economic zones. He also said that inter-ministerial coordination is very important for the development of the SME sector. The BSCIC and the SME Foundation can play a vital role on SME financing.

Khondoker Mostak Hosaien, assistant vice-president of Lanka Bangla Finance, said, "If we bring the rate of default loans in the SME sector down, more SMEs will get the benefits." He also said that the direct engagement of financing institutions with entrepreneurs would strengthen the bond and facilitate growth **r**

Seminar on “Current State of the Economy and Outlook of Bangladesh”

A seminar was organized by the Dhaka Chamber of Commerce & Industry (DCCI) on the theme “Current State of the Economy and Outlook of Bangladesh” on Saturday, October 5, 2024 in the DCCI Auditorium. Mr. Ashraf Ahmed, President of DCCI, moderated the FGD after delivering the welcome address and providing a brief presentation to set the context for the discussion. The objective of the seminar was to bring together economists, industry leaders, and business executives to strategize and explore potential pathways for addressing the challenges hindering the immediate recovery of the economy. A total of eight distinguished discussants attended the session, where they shared their insights, engaged in discussions, and offered recommendations on the topic at hand.

Recommendations:

- The stringent default rules from Bangladesh Bank could severely impact businesses; therefore, regulatory authorities should be engaged to reconsider these policies.
- With double-digit interest rates, making a profit is nearly impossible, necessitating a focus on a long-term sustainable financing roadmap.
- Banks must be held accountable, ensuring that the burden of bad loans and defaults is not unfairly imposed on innocent businessmen.
- The Credit Information Bureau (CIB) report should incorporate the contributions of Mobile Financial Services (MFS).
- A Financial Reformation Committee should be established to address mismanagement in customs and promote automation.
- Intensifying efforts in gas exploration is essential to ensure a consistent supply for industries.
- The government should engage with business leaders to build trust and address their concerns effectively.
- Acknowledging the contributions of businessmen and involving them in policy-making can help foster a supportive business environment.
- Emphasis should be placed on law and order to control labor unrest and restore business confidence.
- Strengthening the presence of industrial police and military forces in key industrial areas is vital for maintaining law and order.
- To resolve labor unrest, stronger ties among workers, owners, and local representatives are necessary.
- Implementing a zero-tolerance policy towards unrest can create a secure environment for businesses to operate and thrive.
- The impact of high inflation on local demand and business profitability should be highlighted.
- Measures to stabilize inflation rates through effective economic policies and strategies need to be identified.
- Adding USD 6-8 billion to the foreign exchange reserve within the next six months could achieve foreign exchange stabilization for macro recovery.
- Emphasizing foreign direct investment (FDI) is crucial for economic growth and integration into global supply chains.
- There is an opportunity to import raw materials from Pakistan and export value-added products, as we currently lack direct vessel connections with the deep sea port of Pakistan.
- Securing fair prices from global brands will help protect workers’ interests.
- The foreign exchange reserve should be strengthened through increased exports, FDI, and remittances.
- Addressing the concerns of existing foreign investors and creating a favorable environment for new investments is crucial.
- Sector-specific challenges, such as fair pricing from global brands for textile products and wage fixes across different sectors, should be addressed to ensure fair labor practices and sustainable growth.
- The effect of increased workers’ wages should be sustainable; a rapid closure of factories due to wage hikes would be detrimental.
- We are not fully prepared for LDC graduation; to remain competitive in green energy by 2030, financing must be secured.
- In the RMG industry, a double-stage transformation initiative is required to establish more textile mills for backward linkages.
- Import substitution industries require policy reforms and long-term funding at low interest rates.
- For macroeconomic recovery, strong policy governance is essential, emphasizing political economy.
- Initiatives must be taken to control abnormal and unethical import demands.
- Low-interest funding is needed to support small enterprises, enabling them to function normally.

Focus Group Discussion (FGD) on “Easing the Business System: An International Trade Perspective”

Dhaka Chamber of Commerce & Industry (DCCI) organized an FGD titled “Easing the Business System: An International Trade Perspective” on Tuesday, 15th October 2024, at the DCCI Auditorium. The vibrant event brought together experts from various sectors, including senior government officials, business leaders, members of civil society, and the Board of Directors of DCCI.

Mr. Ashraf Ahmed, President, DCCI delivered Welcome Address and Keynote presentation. After the presentation, he also moderated the event. The distinguished panelists include Mr. Md. Hasan Ali, Superintendent Engineer of the Bangladesh Land Port Authority; Mr. Md. Kamal Hossain, Deputy Secretary and Director (Traffic) of Mongla Port Authority; Dr. Farhana Iris, Joint Secretary (WTO Section-3) from the WTO Wing of the Ministry of Commerce; Commodore M Fazlar Rahman, BSP, psc, BN, Member (Harbour and Marine) of the Chittagong Port Authority; and Mr. S M Lablur Rahman, Member (Finance) and Additional Secretary of the Civil Aviation Authority of Bangladesh.

Their participation underscored the focus on improving connectivity and trade facilitation—a key theme resonating with recent discussions on streamlining business systems and overcoming international trade barriers.

Recommendations:

- Macroeconomic stability and foreign exchange reserve enhancement for strengthening the current account balance.
- Automating and streamlining the customs process to simplify overall customs operations.
- The performance of ports in Bangladesh should be measured against international and regional benchmarks, such as the ports of Singapore, Hanoi, and Colombo.
- Streamline the LC process by reducing paperwork and regulatory hurdles, and adopt Open Account Trade in line with global trends.
- Expand the EDF loan amount to better support SMEs.
- Implement electronic customs declarations and expedite the establishment of the National Single Window (NSW).
- Strengthen governance to prevent arbitrary penalties and enhance business predictability.
- Develop automated scanning and testing labs at ports to speed up the clearance process.
- Address administrative bottlenecks to expedite Bay Terminal construction and enhance port capacity.
- Strengthen access to affordable pre-shipment and post-shipment financing for MSMEs.
- Complete the automation of land ports to streamline operations.
- Multimodal transport integration, combining rail, waterways, and roads, is necessary to lower transportation costs and reduce shipment times for businesses.
- Bangladesh’s port performance needs to be measured against international benchmarks, with a focus on improving port infrastructure and operations to meet global standards.
- The Bangladesh government is encouraged to adopt flexible monetary policies to stabilize the currency and inflation, which would benefit businesses by making financing more accessible.
- Collaboration between port authorities and the private sector is needed to reduce bottlenecks and streamline port operations, enhancing overall trade capacity.
- Regularly update port infrastructure to keep pace with growing trade volumes.
- Implement performance-based evaluations for C&F agents and government employees to encourage efficiency.
- Need to invest in upgrading inland water container traffic and rail infrastructure to support export growth.
- Port operations should be available 24/7 to reduce delays and improve overall efficiency in handling shipments.
- Simplifying re-export and refund processes for recurring exports will enhance trade flow and reduce administrative burdens for businesses.
- Providing bank guarantees for export and import activities will increase business confidence and facilitate smoother international trade transactions.

Dissemination Seminar on “Food Inflation: An Analysis on Price Dynamics of Essential Commodities”

Dhaka Chamber of Commerce & Industry (DCCI) organized a Dissemination Seminar titled “Food Inflation: An Analysis on Price Dynamics of Essential Commodities” on Thursday, 17th October 2024, at the DCCI Auditorium. With the country experiencing significant food inflation, which reached 14% for the first time in 13 years, it is crucial to understand the underlying factors contributing to this trend. The study aims to analyze price dynamics and identify the root causes of food inflation, particularly in light of global economic pressures and disruptions in the domestic supply chain. By shedding light on these factors, DCCI seeks to provide actionable insights and recommendations that can help policymakers implement effective measures to stabilize food prices, protect vulnerable populations, and support the broader economic goals of the nation as it strives to become a developing economy by 2026.

Mr. Ashraf Ahmed, President of the Dhaka Chamber of Commerce & Industry (DCCI), delivered the Welcome Address. The keynote presentation was delivered by Mr. AKM Asaduzzaman Patwary, Executive Secretary of the Research & Development and Policy Advocacy Department at DCCI. The distinguished discussants included Mr. Swajan Hayder, Deputy Director of the Census Wing at the Bangladesh Bureau of Statistics, Government of Bangladesh; Mr. Md. Moshui Alam, Joint Chief of the Bangladesh Trade and Tariff Commission, Government of Bangladesh; Dr. Saif Uddin Ahammad, Joint Secretary Office, Trade Support Measures Wing and Dr. Sayera Younus, Executive Director of Research at Bangladesh Bank.

The key objective of this seminar is to disseminate research findings conducted by the Research & Development and Policy Advocacy Department of DCCI to stakeholders and policymakers, providing essential insights into Bangladesh’s pressing issue of food inflation. By sharing these findings, DCCI aims to empower participants to formulate effective policies that stabilize food prices and enhance food security, particularly for vulnerable populations affected by inflation.

Recommendations:

- Promote vertical integration of the supply chain to reduce intermediaries and lower essential goods’ prices.
- Addressing this issue of information asymmetry is essential for accurate market assessments and informed decision-making.
- Create a national food reserve to buffer against price spikes and ensure stable supply throughout the year. Release stockpiled essential food products nationwide based on demand.
- Encourage sustainable agricultural practices like organic farming, precision agriculture and climate-smart methods.
- Import essential food items that are in short supply due to production-demand imbalances.
- Provide subsidies for key agricultural inputs like fertilizer, oil, and electricity to lower production costs and stabilize prices for local production of key food items like onions, ginger, and spices.
- Implement tracking system for cash memos of local and imported food items.
- Provide businesses with easier access to finance, investment in technology and research.
- Satellite imaging like GIS and automated tracking are needed.
- Empower Agricultural Marketing Department to perform regular audits, build market infrastructure
- Establishing a tariff or products calendar that outlines when imports are permitted and when restrictions apply can help adjust for seasonal demand fluctuations effectively.
- Recommended to encourage local farmers to increase their production and remain committed to agricultural cultivation. This support can enhance food security and bolster the local economy.
- Assess the implications of imports on local production to identify areas of impact.
- Regional cold storage facilities should be developed on a PPP basis, tailored to the major crops produced in each area.
- To develop cold storage at the grassroots level, agro-based funding with low interest rates should be made accessible.
- Establish bonded warehouse facilities to improve storage and logistics for imported goods.
- Encourage competition in the market to enhance local domestic production and foster a resilient agricultural sector.
- Implement a cooperative system for effective distribution of subsidies to support farmers.
- Address the issue of food waste occurring after harvesting to improve overall efficiency and reduce losses in the supply chain.
- Formulate business-friendly trade policies that consider the opinions of district chambers during the import phase to ensure that local needs are addressed.
- Enhance public-private communication to streamline business processes, manage inflation, and raise awareness among consumers and businesses about the factors influencing price changes.

‘এসএমই উদ্যোক্তাদের উদ্ভাবনী ও টেকসই উন্নয়নঃ প্রেক্ষাপট এসএমই নীতিমালা-২০১৯’ শীর্ষক মতবিনিময় সভা

ঢাকা চেম্বার অব কমার্স অ্যান্ড ইন্ডাস্ট্রি (ডিসিসিআই) গত ১৯ অক্টোবর, ২০২৪ তারিখে ‘এসএমই উদ্যোক্তাদের উদ্ভাবনী ও টেকসই উন্নয়নঃ প্রেক্ষাপট এসএমই নীতিমালা-২০১৯’ শীর্ষক মতবিনিময় সভার আয়োজন করে। উক্ত অনুষ্ঠানে এসএমই উদ্যোক্তাদের উদ্ভাবনী এবং টেকসই উন্নয়নের প্রেক্ষাপট আলোচনা করা হয়, যা দেশের অর্থনৈতিক অগ্রগতির জন্য অত্যন্ত গুরুত্বপূর্ণ। উক্ত মতবিনিময় সভার উদ্দেশ্য ছিল সরকারের নীতিমালার সঙ্গে সামঞ্জস্য রেখে এ খাতের উন্নয়নে প্রয়োজনীয় পদক্ষেপ ও সুপারিশ নির্ধারণ, বণগু খাতের অর্থনৈতিক উন্নয়ন এবং রপ্তানি বহুমুখীকরণের বৃহত্তর লক্ষ্যগুলোর সাথে সামঞ্জস্য রেখে এসএমইকে সমর্থন, উদ্ভাবনকে উৎসাহিত করা এবং ব্যবসায়িক ক্ষেত্রে টেকসই বৃদ্ধি নিশ্চিত করার জন্য নীতি সংস্কারের গুরুত্বপূর্ণ বিষয় নিয়ে আলোচনা করা।

জনাব আশরাফ আহমেদ, সভাপতি, ডিসিসিআই, স্বাগতিক বক্তব্য এবং মূল প্রবন্ধ উপস্থাপন করেন। সেমিনারে প্যানেল আলোচনায় শিল্প মন্ত্রণালয় অতিরিক্ত সচিব (নীতিমালা, আইন ও আন্তর্জাতিক সহযোগিতা অনুবিভাগ) জনাব মোঃ সলিম উল্লাহ, রপ্তানি উন্নয়ন ব্যুরো (ইপিবি)-এর ভাইস-চেয়ারম্যান জনাব মোঃ আনোয়ার হোসেন, বাংলাদেশ ক্ষুদ্র ও কুটির শিল্প কর্পোরেশন (বিএসসিআইসি)-এর পরিচালক (দক্ষতা ও প্রযুক্তি) জনাব কাজী মাহাবুবুর রশীদ, মাইক্রোএক্রেডিট রেগুলেটরি অথরিটি -এর নির্বাহী পরিচালক (রেগুলেশন ও গবেষণা) জনাব মোহাম্মদ ইয়াকুব হোসেন, বাংলাদেশ ব্যাংক-এর পরিচালক (এসএমই অ্যান্ড স্পেশাল পোগ্রামস বিভাগ) জনাব নওশাদ মোস্তাফা, বাংলাদেশ ইনস্টিটিউট অব ব্যাংক ম্যানেজমেন্ট (বিআইবিএম)-এর সহকারী অধ্যাপক ড. মোহাম্মদ মোশাররেফ হোসেন, বাংলাদেশ জাতীয় ক্ষুদ্র ও কুটির শিল্প সমিতি (নাসিব)র সভাপতি জনাব মিজা নূরুল গনি শোভন, ক্ষুদ্র ও মাঝারি শিল্প ফাউন্ডেশনের মহাব্যবস্থাপক জনাব মোহাম্মদ নাজিম হাসান সাত্তার, বাংলাদেশ ফাইন্যান্স লিমিটেড-এর ব্যবস্থাপনা পরিচালক জনাব মোহাম্মদ কায়সার হামিদ, ঢাকা ব্যাংক পিএলসি-এর এক্সিকিউটিভ ভাইস প্রেসিডেন্ট এবং ডিভিশন হেড, এমএসএমই ও ইমার্জিং বিজনেস জনাব মোহাম্মদ মাহবুবুর রহমান পলাশ এবং লংকাবাংলা ফাইন্যান্স পিএলসি এডিপি ও হেড অব ইমার্জিং অ্যান্ড মিডিয়াম বিজনেসেস, সিএমএসএমই ফাইন্যান্সিয়াল সার্ভিসেস ডিভিশন জনাব খন্দকার মোস্তাক হোসাইন প্রমুখ অংশগ্রহণ করেন।

সুপারিশমালাঃ

- শাখা ভিত্তিক চ্যানেলের পরিবর্তে ইলেকট্রনিক চ্যানেলের মাধ্যমে ঋণ প্রদান করা উচিত। এটি ব্যাংকিং প্রক্রিয়াকে সহজ ও দ্রুততর করবে, যার ফলে গ্রাহকরা ঘরে বসেই ঋণ আবেদন করতে পারবেন এবং তা দ্রুততার সাথে অনুমোদন পাবে।
- এসএমইদের জন্য মোবাইল ফিন্যান্সিয়াল সার্ভিস (এমএফএস) এবং ইলেকট্রনিক ন্যানো ঋণের ব্যবহার করা প্রয়োজন। এসব সেবা এসএমইগুলোর জন্য ঋণ প্রাপ্তি সহজ করে দেবে, বিশেষকরে যারা ফিজিক্যাল ব্যাংক শাখায় যাওয়ার সুযোগ পান না।
- ক্যাশ ফ্লো ভিত্তিক ঋণদান, চ্যানেল ফাইন্যান্স, এবং বাণিজ্যিক চুক্তি অর্থায়নের মাধ্যমে ঋণের সম্প্রসারণ করা উচিত। এই ধরনের ঋণদান পদ্ধতি এসএমইদের জন্য তাদের নগদ প্রবাহের ওপর ভিত্তি করে সহজে ঋণ প্রাপ্তির সুযোগ সৃষ্টি করবে, ফলে তারা ব্যবসার কার্যক্রম চালিয়ে যেতে সক্ষম হবে।
- এসএমইদের জন্য উন্নত এবং প্রসারিত ক্রেডিট গ্যারান্টি স্কিমের ব্যবস্থা নিশ্চিত করতে হবে। এই স্কিমের মাধ্যমে ব্যাংকগুলোকে ঋণ দেওয়ার ক্ষেত্রে নিরাপত্তা বাড়বে, যার ফলে তারা এসএমইগুলোকে অধিকমাত্রায় ঋণ প্রদান করতে উৎসাহিত হবে।

- উচ্চ প্রযুক্তির স্টার্টআপগুলোর জন্য ওঈই এর পরিবর্তে বেসরকারিখাতের বিকল্প বিনিয়োগ তহবিলের মাধ্যমে ডেপ্‌থার ক্যাপিটাল সহায়তা।
- সার্ভিস সেক্টরের উন্নয়নের জন্য বিশেষায়িত ফান্ডিং পোগ্রাম তৈরি করা উচিত। এই পোগ্রামগুলি প্রযুক্তি, স্বাস্থ্যসেবা, শিক্ষা, ও পরিবহনসহ বিভিন্ন খাতকে সমর্থন করবে। এর মাধ্যমে প্রতিষ্ঠানগুলো তাদের সক্ষমতা বাড়াতে এবং বাজারে প্রতিযোগিতামূলক অবস্থান তৈরি করতে সক্ষম হবে।
- এসএমই নীতিমালার লক্ষ্য ও উদ্দেশ্য এবং পঞ্চবার্ষিকী পরিকল্পনার পাশাপাশি শিল্পনীতির সঙ্গে সমন্বয়ের মাধ্যমে শিল্পখাতের ভবিষ্যতের লক্ষ্যমাত্রা নির্ধারণ করতে হবে।
- শিল্প এবং সেবা মানঅভ্যন্তরীণ কার্যক্রম (বিএসটিআই স্ট্যান্ডার্ড) এবং রপ্তানি বাজার (আইএসও) উভয়ের জন্যই শিল্পের মান সম্মতি প্রয়োজন। স্থানীয় এসএমইগুলিকে প্রক্রিয়া নির্দেশিকা এবং সার্টিফিকেশন থেকে শুরু করে পণ্য এবং উপাদান পরীক্ষা পর্যন্ত এই মানগুলি পূরণ করতে সহায়তা প্রয়োজন।
- সংখ্যাগরিষ্ঠ এমএসএমই অনানুষ্ঠানিক সেক্টরে কাজ করেন যাদের ভ্যাট এবং আয়কর নিবন্ধন বা ট্রেড লাইসেন্স নেই। এর ফলে এসএমইদের আইনি সুরক্ষার সুযোগ কমে যায়। লাইসেন্সিং এবং কর পদ্ধতির সরলীকরণ প্রয়োজন।
- বিশ্বব্যাপী চাহিদা এবং আমাদের সক্ষমতা বিবেচনা করে পণ্য ও বাজার বৈচিত্র্য নিয়ে গবেষণা পরিচালনা করা প্রয়োজন।
- এমএসএমই ক্লাস্টারসমূহে (ইপিজেড, শিল্প পার্ক এবং অন্যান্য বিশেষায়িত শিল্প এলাকা) খাতভিত্তিক শিল্পকে স্থানান্তরের ক্ষেত্রে কিছু গুরুত্বপূর্ণ পদক্ষেপ গ্রহণ করা উচিত।
- প্রথমত, খাতভিত্তিক শিল্প স্থানান্তর কার্যক্রমের জন্য একটি সুসংহত পরিকল্পনা প্রণয়ন করা প্রয়োজন। এই পরিকল্পনায় শিল্পগুলোর চাহিদা, অবকাঠামো এবং কর্মশক্তির দক্ষতা বিবেচনা করা উচিত।
- দ্বিতীয়ত, স্টার্টআপের ক্ষেত্রে স্থানীয় কাঁচামাল নির্ভর পণ্য তৈরির ওপর বিশেষ গুরুত্ব দেওয়া প্রয়োজন। এই উদ্যোগে সরকারী ও বেসরকারীখাতের সহযোগিতা নিশ্চিত করা হবে, যা নতুন উদ্যোগগুলোর জন্য সহায়ক ভূমিকা পালন করবে।
- তৃতীয়ত, আমদানি বিকল্প পণ্যের উৎপাদন বাড়ানোর জন্য প্রয়োজনীয় প্রণোদনা প্রদান করতে হবে। এর মাধ্যমে দেশীয় উৎপাদনকে উৎসাহিত করা সম্ভব হবে এবং বিদেশি পণ্যের ওপর নির্ভরতা কমেবে।
- নারী উদ্যোক্তাদের জন্য বিশেষায়িত সেবা এবং ৫০ লাখ থেকে ২ কোটি টাকা পর্যন্ত ঋণ প্রদান নিশ্চিত করা প্রয়োজন।
- এমএসএমই খাতকে বৃহৎ শিল্পের সাথে সংযোগ প্রদান এবং বড় ব্যবসায়ীদের সাপ্লাইচেইন অংশীদার হিসেবে প্রতিষ্ঠিত করতে হবে।
- পেটেন্ট, কপিরাইট ও ট্রেড মার্ক করা মেধা সম্পদের (Intellectual Property) উপযুক্ত মূল্য নির্ধারণের জন্য বাংলাদেশ ব্যাংক থেকে Valuation Guideline প্রদান করা হবে।
- CMSME পরিসংখ্যানকে প্রাতিষ্ঠানিক রূপ দেওয়ার জন্য একটি কেন্দ্রীয় ডাটাবেস তৈরির উদ্যোগ নেওয়া প্রয়োজন।
- এমএসএমই খাতের সম্ভাবনাময় সেক্টরগুলির জন্য বিশেষায়িত অর্থায়ন প্রোগ্রাম এবং কার্যকরী সময়াবদ্ধ কর্মপরিকল্পনা প্রণয়ন করা আবশ্যিক।

Sick industries and classification of Loan Defaulters

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The borrower expected to pay the dues on time as agreed in the loan agreement but sometimes they may pay the agreed instalments agreed due to various reasons. The borrowers may be categorised as defaulters and non-defaulters. The reasons for default should be evaluated in order to give appropriate treatment to the defaulters.

Industrial Sickness

'Industrial sickness' is easy to understand but difficult to define. A person is treated as 'sick' if any part of his body does not function normally. Similarly, if any functional area of an industrial unit (viz., production, marketing, finance, personnel and corporate management) develops any abnormality, the whole unit may become sick.

When an industrial enterprise becomes irregular in re-payment of scheduled instalment of loans to FIs is named as sick industry and becomes defaulter of loan after failing to repay as per the classification policy of Bangladesh Central Bank.

The concept of industrial sickness has been embodied under section 2 (46 AA) of the Indian Companies Act, 1956, Section 3(1) (O) of Sick industrial companies (special provision amendment) Act, 1993, but no law in Bangladesh has defined Industrial sickness.

Industrial sickness does not occur suddenly in the life cycle of an industrial unit. It does not develop in a single day or does not burst overnight (Sing, 2011). There are few stages of the process of sickness: initial/ Normal stage, Tending towards sickness stage, incipient sickness stage and final stage (Navulla & Sunitha, 2016).

Symptoms of sickness

The symptom shows signals of weakness and the most visible symptoms of industry sickness are high rate of breakdown of plants and machinery before date of expire, decline in efficiency, low capacity utilization, decline in production, lower rate of turnover of workers, failing to perform as per contract with FIs, uneven maintenance of accounts of banks, irregular payment of the enterprises to creditors, suppliers, employees, and other stakeholders due to low production or production under breakeven

point, loss in business, lower cash inflow than outflow, loss of assets, etc. It seems to be a gradual process with distinct stages taking from 5 to 7 years to corrode the health of a unit beyond cure and making the unit sick. Any of these symptoms indicate probable sickness and can enable the prediction of potential business failure/sickness at the earliest. However, sickness is a qualitative phenomenon and there are innumerable symptoms. It is not easy to find out the symptoms and give a widely acceptable definition of those symptoms. The symptoms of failure are distinguished from causes of failure.

There exist numerous symptoms. Based on symptoms, the precautionary measures are taken to prevent the industrial sickness that caused Non-Performing Loan. The present study will identify which measures are appropriate to prevent sickness and default loan in the present context of Bangladesh.

Industrial sickness are increasing day by day because of growing competition and the changing economic, political, social, cultural, legal and global environment and have a negative impact on the financial health of borrower. It is wastage of scarce resources (Navulla et al, 2016) and ultimately the industries become defaulter creating NPL for lender.

Non-performing loan (NPL)

A non-performing loan (NPL) is the sum of borrowed money upon which the debtor has not made his/her scheduled payments within the stipulated time. On the other hand, NPL is a non-performing asset (NPA) for FIs since the borrower has not paid any previously agreed upon interest or principal to the lender for a specified period of time. In effect, both NPL and NPA have the same meaning and they are being used synonymously in different literature.

The problem of NPAs is not only for banker but indeed for policy makers of the country. It is such a systematic risk factor that has a strong impact on all the FIs. And, NPAs are the sources of systematic risks that are beyond the FI's control (Ouhibi et al., 2017).

The serious problem faced by banks all over the world is the growth of NPAs, which become unavoidable burdens for the banking industry. NPAs are "financial pollution" and may be harmful to economic growth.

There are some other empirical evidences that show integrity of the borrower as a major cause of non-performing loans. One empirical study conducted on

microfinance institutions in Kenya also indicates lack of technical training for loan beneficiaries and the performance of entrepreneur businesses as a critical driver of loan delinquency occurrence.

Several factors are also responsible for NPLs across countries. There are two strands of literatures. The first strand of literatures considers bank' specific variables such as the quality of management, profit margins, policy choices, risk profile of banks, size and market power of problem loans. The second strand of literatures focuses more on quantitative variables, which include economic growth, unemployment, inflation, interest rate, exchange rate, lending rate, etc. (Adebola et al., 2011).

Negera (2012), while assessing determinants of NPLs in Ethiopia, found that poor credit assessment, failed loan monitoring, underdeveloped credit culture, lenient credit terms and conditions, aggressive lending, compromised integrity, weak institutional capacity, unfair competition among banks, wilful default by borrowers and their limitation of knowledge, fund diversion for unintended purpose, over/under financing by banks ascribe to the causes of loan default. The study indicated that poor credit assessment ascribing to capacity limitation of credit operators, institutional capacity drawbacks and unavailability of national data for project financing that had also led to setting terms and conditions that were impractical and/or not properly discussed with borrowers had been the cause for occurrences of loan default.

Joseph et al. (2012) conducted a study to determine the causes of NPLs in Zimbabwe. They found that internal factors such as poor credit policy, weak credit analysis, poor credit monitoring, inadequate risk management and insider loans have limited influence towards non-performing loans. Factors namely natural disaster, government policy and the integrity of the borrower were the major factors that caused NPLs.

Based on the review of various empirical studies, the determinants of default broadly be classified as bank' specific factors, borrower's specific factors, and external /macroeconomic factors.

A study (1990) on "Problem of Repayment to the Development Finance Institutions (DFIs) in Bangladesh: Results of a Field Survey of Selected Enterprises". The variables that were identified behind the loan default includes delay in financing, escalation of cost during implementation of projects, wrong selection of machinery, procurement of machinery and dispute between bankers and borrowers, poor capacity utilization of projects, management problem, infrastructure, marketing, and

working capital.

Another study was conducted to review and evaluate the performance of borrowers of DFIs based on 120 samples (1991). The reasons behind loan default pertain to repayment performance, and operational performance during different stages of the projects such as implementation stage, operational stage, and the like. Some teachers of BIBM investigated the profiles of 125 bank loan defaulters selected from a list of 1000 biggest loan defaulters. The study followed "key informant method" to identify some key informants inside the borrowing enterprises. The study identified factors such as political affiliation, disruption of utility services, close relation with bankers, corruption in FIs, willful non-payment and diversion of funds, etc. as the key reasons behind loan default.

Defaulters are divided in willful and non-wilful. Some of the studies indicated in the foregoing, suggested undertaking further studies for careful discrimination between wilful defaulters and non-wilful defaulters.

Wilful Versus Non-wilful Defaulters

There are few studies on discrimination of willful and non-wilful defaulters in different sectors of business.

A study was conducted through dialogue and interview of 96 available and agreed SME classified loaners from at least one district of the northeast, northwest, southeast and southwest regions of Bangladesh (namely Sylhet, Rangpur, Chittagong and Khulna divisions) (Shah, 2014). Interviews were carried out between June and September, 2013 at the urban and rural levels, where all of them have classified loan and some of them are defaulters. Only four of them mentioned that they had suffered business losses due to natural calamities, 72 of them mentioned that they had utilized the funds only for the original purpose of the loan, while the remaining 24 mentioned that they had used a part or all of the funds for purposes other than the original one without informing the bank. Of these 24 respondents, five mentioned that they had used the funds for their business and another five mentioned that they had funded the loan amount to start a transport business, while four respondents had diverted part or the full amount of the loaned money to the stock market (and suffered severe losses in the 2010 stock market crash), three respondents had purchased land, three respondents mentioned of using the funds for medical treatment. Remaining three, one respondent used the money to cover his daughter's wedding expenses; one had given the whole amount to others, while the other respondents used the loan money to pay

off other debts. It is noteworthy that although 25 percent of defaulters admitted of diverting funds from the original purpose of the SME loan, it is highly likely that an even greater percentage had done so, albeit without making such an admission.

The Laws and Regulations Relating to Recovery of Default Loan

Most of the countries have law for recovery of default loan including Bangladesh, India, Pakistan, Nepal etc. There are different treatments in loan recovery laws for willful and non-willful defaulters. Bangladeshi law of loan recovery has no such differentiations of willful and non-willful defaulters.

Unlike Bangladesh, other countries have legal provisions to identify the willful defaulters. The National Accountability Ordinance, 1999 (XVIII of 1999), Pakistan, Sub clause 5 (R) defined "Wilful Default": A person [or a holder of public office] is said to commit an offence of wilful default under this ordinance if he does not pay [or continues not to pay] or return or repay the amount [due from him] to any bank, financial institution, etc. The Reserve Bank of India (RBI) provided the formal definition of wilful default in its guideline issued in 1999. In its definition, the RBI emphasized on the following points:

- (a) Deliberate non-payment of the dues despite adequate cash flows and good net worth.
- (b) Siphoning off funds to the detriment of the defaulting units,
- (c) Purchasing as well as selling of assets financed by the banks and the miss-utilization of proceeds,
- (d) Misrepresentation and falsification of reports,
- (e) Disposal and removal of records without bank's knowledge and
- (f) Fraudulent transactions by the borrowers.

Nepal defined the willful and non-willful defaulters through a directive no. 12/067, Credit Information by Laws 2001, sec 7 sub sec 5.

Bangladesh's Finance Company's Act 2023 section 2 (5) and 30 defined the willful defaulters as under:

Any borrower will become willful defaulters if:

- a. Obtain loan, investment of any other financial benefits, interest or profits not paid back despite ability to pay.

- b. Obtain loan, investment or other financial benefits in favor of himself, any family member, any other person with whom he has self-interest or in the name of company under fraud, mis-information and donot paid back.
- c. Any loan or financial benefits used other wise than the actual purpose of the loan.
- d. The mortgages and security given against a loan transfer or change of hand without written permission of the financial company.

Bangladesh Bank (BB) has directed non-bank financial institutions (NBFIs) to set up willful defaulter identification units by the end of April to avoid stricter measures by the central bank.

The BB circular instructed NBFIs to set up the identification units led by officials two levels below the managing director and chief executive officer (CEO) of the finance company. The management must carry out all related activities throughout the unit

The unit will be responsible for identifying whether defaulting borrowers (individuals and institutions) qualify as willful defaulters, according to the central bank notice.

The identification process must begin within 30 days of a borrower defaulting. This timeframe can be extended by a further 30 days with justification.

If a borrower is classified as a willful defaulter according to the Finance Companies Act 2023, they will be granted 14 working days to respond to the accusation, says the circular.

Non-compliance with regulations regarding willful defaulters will result in fines for NBFIs ranging from Tk 5 million to Tk 10 million. Continued violations will incur a daily penalty of Tk 100,000 by the central bank, it mentions.

The identification of willful defaulters by independent and competent authority rather than financial institutions for a fair decision. Further to identification of willful defaulter policy, BB must have two independent separate committees to 'identify' and 'confirm' willfulness of a borrower before any legal action. Otherwise, any borrower may be victim of the wrong identification **1**

Economy slows, IMF forecast down GDP growth

An economic slowdown now compared to previous months has prompted the IMF to revise down its growth forecast for Bangladesh in the current fiscal year. “The reason for revising down our growth forecast is response to what we saw in the recent past,” said Krishna Srinivasan, IMF Director for Asia-Pacific Department. Replying to a query, he said: “... things have slowed down compared to what we saw in the April forecast. So those developments give us a pause in terms of what happens to growth.”

Srinivasan was briefing newsmen on 24 October, 2024 at a press conference on Economic Outlook for the Asia-Pacific Region in Washington, DC, as part of the ongoing World Bank-IMF annual meetings. He mentions there was a mission led by mission chief for Bangladesh Chris Papageorgiou which looked at all aspects, what happening to the economy. “Based on that we (have) revised down the



growth forecast.” Srinivasan points out that in the case of Bangladesh, the growth has slowed and inflation remains high.

He, however, says Bangladesh has been making good progress under the \$4.7-billion IMF credit program. He said discussions were going on regarding next review of the loan program. “We had discussions in Dhaka and discussions are continuing in Washington on how to move forward,” he notes. Regarding

new financing plan, he said financing and all those would be part of the discussions which will take place this week and next.

The International Monetary Fund in its World Economic Outlook forecast that Bangladesh’s GDP growth will go down to 4.5 percent in the 2025 fiscal year from its April projection of 6.6 percent. If this happens, it will be the lowest-ever growth in last 20 years excepting the Covid pandemic years **1**

Timely reforms to help achieve inclusive growth: WB

The World Bank has observed that bold and timely reforms will help Bangladesh create quality jobs and achieve inclusive growth. Bangladesh’s post-COVID recovery continues to be impacted by high inflation, balance of payments deficit, financial sector vulnerabilities, and increasingly limited job opportunities for its youth, especially women and educated youth, said the multilateral lender in its October issue of the Bangladesh Development Update, released on October 15, 2024.

The latest update highlighted that global and domestic factors have created a challenging macro-fiscal context for the country. Bangladesh’s real GDP growth moderated to 5.2 percent in the 2024 fiscal year,

primarily due to weak consumption and exports. It is projected to decelerate to 4.0 percent in the 2025 fiscal year, driven by subdued investment and industrial sector activities, before accelerating to 5.5 percent in the 2026 fiscal year and returning to a robust growth trajectory thereafter. Bangladesh also faces increasing income inequality, particularly in urban areas.

From 2010 to 2022, Bangladesh’s Gini index—a measure of income inequality—increased by nearly three points from 0.50 to 0.53. The report highlighted urgent and bold reforms that are necessary to help the country return to a strong, inclusive and sustainable growth path. Despite the overall unemployment rate declining

between 2016 and 2022, young people face significantly higher unemployment rates, particularly in urban areas.

The availability of jobs has declined for urban educated youth, and job creation in large industries, like the ready-made garments sector, has stagnated. Since 2016, while more jobs were created in Dhaka, three divisions Chattogram, Rajshahi and Sylhet faced significant net employment losses. At a press conference at the World Bank Dhaka office, Abdoulaye Seck, World Bank Country Director for Bangladesh and Bhutan, said in recent years, Bangladesh’s growth has not translated into job creation for the large number of youths entering the

job market every year.

Particularly, the educated youth and women faced difficulty in getting jobs to fulfill their aspirations, he added. He said, “But time and again, Bangladesh has shown extraordinary resilience and determination in the face of adversity. I am confident that with urgent and bold reforms to enhance economic and financial governance, improve business environment, Bangladesh can return to a strong and inclusive growth path, with millions of jobs for its youth.”

Inflation, driven by high food and energy prices, averaged 9.7 percent in the 2024 fiscal year. Inflation spiked in the month of July and moderated in August. It is expected to remain elevated in the near term, but gradually subside in the medium term if supply-side issues stabilize and prudent monetary and fiscal policies are maintained. The fiscal deficit is estimated to have moderated marginally to 4.5 percent of GDP in the 2024 fiscal year and is expected to remain within the government’s target of 4.3 percent of GDP in the 2025 fiscal year, with fiscal space for productive expenditures increasing only gradually. The implementation of the Annual Development plan declined to 80.9 percent in the 2024 fiscal year compared to 85.2 percent in the 2023 fiscal year.

The current account deficit narrowed to \$6.5 billion in the 2024 fiscal year, thanks to a contraction in imports and robust remittances. Remittances declined in July due to disruptions but rebounded. The balance of payments deficit also improved. Dhruv Sharma, World Bank Senior Economist and Co-author of the report, said pressure on the external sector is expected to persist in the 2025 fiscal year, easing later if global conditions improve and exchange rate flexibility increases.

In May 2024, Bangladesh Bank implemented a crawling peg



exchange rate system as a step towards a market driven exchange rate system. This led to a narrowing in the gap between the formal and informal exchange rates. While banking sector faces tight liquidity conditions and elevated non-performing loans the inflation. Bangladesh Bank has made restoring discipline and stability in the sector a priority alongside managing inflation **1**

\$17b siphoned out during Hasina regime: BB governor

Bangladesh Bank governor Ahsan Mansur has accused tycoons linked to the toppled regime of Sheikh Hasina of working with members of the military intelligence agency to siphon \$17bn out of the banking sector during her rule. In an interview with the Financial Times, he said the Directorate General of Forces Intelligence had helped several tycoons take overs leading banks. Ahsan Mansur, who was appointed the central bank governor after Sheikh Hasina fled the country in August, said an estimated Tk 2 trillion, equivalent to \$16.7 billion, had been spirited out of Bangladesh after the bank takeovers. According to him, the banks was robbed using methods such as loans made to their new shareholders and inflated import invoices.

Calling it “the biggest, highest robbing of banks by any international

standards,” he said, “It didn’t happen on that scale anywhere, and it was state-sponsored and it couldn’t have happened without intelligence people putting guns (to former bank CEOs’) heads.” The governor said S Alam Group Chairman Mohammed Saiful Alam and his associates had “siphoned off” at least \$10bn from the banking system after taking control of banks with the help of the intelligence agency **1**

Foreign aid disbursements drop 34pc in Q1

Bangladesh received foreign aid worth \$846.12 million in the first quarter of the current fiscal year. The amount is around 34 percent lower than \$1.28 billion received in the July-September quarter of the last fiscal year, according to the latest figures of the Economic Relations Division. During the period under review, the country paid \$1.13 billion in foreign debt servicing which is 33 percent higher than the amount received in loans and grants. The government repaid \$870.46 million in the first quarter of the 2024 fiscal year. Debt servicing cost increased by 29.42 percent in the reporting period, according to the ERD figures.

New foreign aid commitments observed a drastic fall, over 99 percent. The ERD received commitments worth \$27.41 million in the first quarter of the fiscal year, which was

\$2.88 billion in the same period of last fiscal. The commitment dropped by \$2.85 billion in the first quarter of the 2025 fiscal year compared with the same period of the previous fiscal. Sluggish implementation of the development activities pushed down the disbursements of foreign loans, said economists and officials at the ERD.

They said the government has decided to review further the upcoming projects, affecting the commitments. Dr Mustafa K Mujery, former director general of the BIDS, said that servicing the previous loans is the top priority of the government rather than implementing the projects or approving new ones.

He said the previous government received a huge amount of loans, surpassing the country's repayment capacity, to ensure visible development. Failure in generating revenue as per the expectation from those projects put the interim government under pressure, he added. The ERD report revealed that the government received \$27.41 million of commitment for grants in the last three months and failed to sign any loan deal.

The ERD signed grant deals worth \$90.55 million and loan deals worth \$2.79 billion in the first quarter of the last fiscal year. Of the foreign aid disbursed in the Q1, \$182.50 million were in grants and \$663.62 million in loans compared to \$50.52 million in grants and \$1.23 billion in loans of the same quarter of the last fiscal year **r**

6 reasons to blame for export data mismatch: EPB

Export Promotion Bureau has identified six major reasons including multiple entries of same data, discount on sales volume and receipt of less than Initial LC Value behind incongruity in the country's

export earnings data. Local sales from export-oriented companies, apparels' CMT export (cut-make-trim) and samples transfer were also behind the mismatch. EPB officials pinpointed the reasons at a press briefing with journalists at its office in the city's Karwan Bazar area on October 10, 2024. The officials said that they would regularly hold such monthly briefing in the coming days to release export data aiming to ensure transparency in the process. EPB CEO and Vice-chairman Md Anwar Hossain, its director Abu Mukhles Alamgir Hossain and another director Mohammed Shahjalal were present, among others.

Anwar Hossain said they have prepared the updated data on the basis of real time shipment data as per NBR Asycuda world. He also said they would continue to provide further elaborated data for the sake of stakeholders including traders home and abroad, investors, researchers, journalists and academia. "We shall present them in facilitated formats on EPB website so that stakeholders can access easily," he said. Software is also being developed to make customized reports and info-graphs, that will be available online soon, he added.

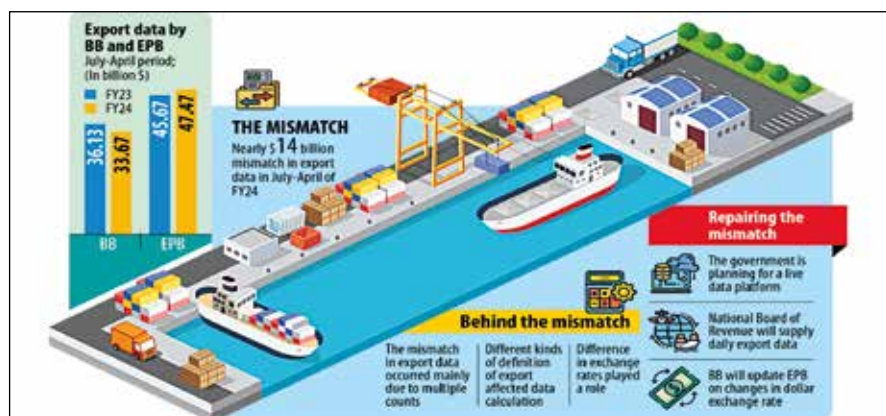
Alamgir Hossain made a brief PowerPoint presentation on updated export data. According to it, the country's export earnings from

merchandise were nearly \$44.47 billion in the last 2023–24 fiscal year which was wrongly calculated as \$55.29.

In the previous 2022–23 fiscal year, the updated figure was \$46.43 billion instead of \$55 billion. Bangladesh's export earnings amounted to \$11.37 billion during the July-September period of the running fiscal year 2024–25. Single-month export earnings in September 2024 grew by 6.78 percent to \$3.51 billion, year on year, which was \$3.29 billion in the corresponding month of 2023. The bureau has also set a target of \$57.50 export earnings consisting \$50 billion from merchandise and \$7.5 from service export in the running 2024–25 fiscal year **r**

Inflation edges down 1.0pc, price respite awaited

Inflation has already edged down 1.0 percent following fiscal interventions and a respite from price rises is awaited, Finance Adviser Dr Salehuddin Ahmed said on October 10, 2024 and urged all to have patience to get the assured consumer relief. "We could keep inflation rate at steady level to some extent. Taming inflation will take time. Some sort of relief will come," he told reporters. The adviser was briefing newsmen after a meeting of



the Advisory Council Committee on Government Purchase at Bangladesh secretariat in the capital. He mentioned some measures taken by the current interim government to bring down commodity prices. "We have lessened duty on onion and potato. We lowered import duty on sugar."

Ahmed, also adviser for the ministry of commerce, said there would be no scarcity of essential commodities on the market. "Today approval has been given to buy lentils, liquefied natural gas, and fertiliser. You will get relief," he assured.

Replying to a query as to how much time needed to tame the wayward inflation, the adviser urged all not to get impatient. "This is a very complex issue. Don't assume that inflation rose all of a sudden. Many factors are behind this." He enumerates the factors: "There is market factor, market-monitoring factor, production, and marketing factor. New people have replaced the old ones, in some cases, with such nature remaining almost the same," Ahmed said.

Replying to another question, the adviser said extortion got reduced but there are also matters relating to the law-and-order situation. According to official data released by the Bangladesh Bureau of Statistics, the point-to-point inflation declined to 9.92 percent in September from 10.49 percent in August last. Commodity prices have shot up in the recent weeks, especially after floods in different parts of the country destroyed their production, mounting the misery of poor and middle-income group of people. The prices of kitchen items have gone beyond the purchasing capacity of common people due to production fall and supply shortage amid floods. Egg prices also shot up significantly with each dozen selling at around Tk 180 in the market.

Meantime, the purchase-committee meeting approved a proposal to import one-cargo LNG from M/S Gunvor Singapore Pte Ltd, Singapore, at a cost of Tk 6.57 billion. Each unit of the liquefied natural gas will cost \$13.93. The meeting also approved for the Bangladesh Agricultural Development Corporation to buy 30,000 tonnes of TSP fertiliser from OCP, SA, Morocco, at a cost of Tk 1.49 billion with each tonne of fertiliser costing \$415. Under another approval, Bangladesh Chemical Industries Corporation will import 30,000 tonnes of bulk granular urea fertiliser from SABIC Agri Nutrients Company, Saudi Arabia, for Tk 1.28 billion where each tonne will cost \$356.17.

Also, BCIC is given the go-ahead to buy 30,000 tonnes of bagged granular urea fertiliser from KAFCO, Bangladesh at a cost of Tk 1.23 billion with each tonne of fertiliser costing \$343.37. Moreover, the committee gave approval for the buy of 10,000 tonnes of lentils for the Trading Corporation of Bangladesh from a Chattogram-based supplier at a total cost of Tk 963 million, each kilogram costing Tk 96.39 **r**

Direct foreign investment declines by 8.8pc

Direct foreign investment in Bangladesh has fallen by 8.80

percent in the 2023–24 fiscal year compared to the previous year. The Bangladesh Bank's report published highlights that net foreign investment reached \$1.47 billion, down from \$1.61 billion at the end of the 2022–23 fiscal year, reports bdnews24.com. This indicates a decrease of \$142 million over the year. Net investment is the amount remaining after deducting repayments of previous investments from the total foreign investments received during that period. According to the report, the textile sector attracted the most investment, followed by banking, pharmaceuticals, and energy. Economists and bankers say the economy has been facing multiple crises over the past few years, resulting in a decline in foreign investment for several reasons.

Standard Chartered Bank's Chief Executive Officer, or CEO, Naser Ejaz Bijoy pointed to several factors contributing to the decrease. "Foreign investment has decreased this year due to the elections [12th general election]. Political conditions in the country deteriorate before and after the elections, and foreign investors observe these factors," he told bdnews24.com.

The dollar crisis that began in mid-2022 and the depreciation of the Bangladeshi taka have also affected investment sentiments. "Foreign investors consider whether they will



be able to recover their investments,” CEO Naser said. The banking sector’s negative outlook has further diminished investor confidence. “International rating agencies have downgraded our banking sector’s creditworthiness, which has reduced our credit lines with foreign banks,” said the banker **r**

BB cuts EDF amid allegations of funds smuggling

Bangladesh Bank has reduced the size of its Export Development Fund to \$2.51 billion following evidence that some businesses used the fund to smuggle money abroad, the central bank confirmed. In alignment with conditions attached to a \$4.7 billion loan from the International Monetary Fund, the central bank conducted a special inspection that uncovered instances of illicit fund transfers by certain businesses. The discovery prompted Bangladesh Bank to scale down the EDF, taking into account the escalating risks of misuse. Originally established in 1989, the EDF was intended to support Bangladeshi exporters with low-interest loans, enabling them to import raw materials under back-to-back letters of credit.

The EDF’s size was initially increased to \$3.5 billion in April 2020 as an emergency response to the COVID-19 pandemic, providing support to

businesses facing severe disruptions. By 2022, under the direction of then-Governor Fazle Kabir, the fund was expanded to \$7 billion to stimulate economic recovery.

However, the Ukraine-Russia war in early 2022 exacerbated Bangladesh’s dollar crisis, pushing the new Governor, Abdur Rouf Talukder, to call for reductions in EDF allocations. In May 2023, the fund size was adjusted to \$4.77 billion, further decreased to \$4.6 billion by year-end, and stood at \$3.21 billion by July 2023. The cuts continued, with the EDF reduced to \$2.91 billion by August, \$2.77 billion in September, and finally, \$2.51 billion on October 29, 2023.

Currently, exporters using the EDF can borrow for up to 180 days at a 4 percent interest rate. A complementary Export Facilitation Pre-Finance Fund also offers export financing options. However, tighter restrictions are now likely as Bangladesh Bank works to prevent fund misappropriation **r**

BB ups policy rate to 10pc

Bangladesh Bank has increased the policy or repo rate further by 50 basis points to 10 percent for containing inflation. It will be effective from October 27, the central bank said in a circular issued on October 22, 2024. Additionally, the Standing Lending Facility has also increased

by 50 basis points, reaching 11.5 percent. The Standing Deposit Facility has also been hiked by 50 basis points, reaching 8.5 percent. The SLF is the facility through which the central bank grants overnight credits (emergency funds) to eligible banks, while the SDF allows banks to deposit their excess liquidity. Earlier, the Bangladesh Bank also decided that banks will be able to borrow through repurchase agreements (repo) from the central bank once a week.

NBR runs campaign for online tax submission

National Board of Revenue Chairman Md Abdur Rahman Khan said that the revenue board has engaged in massive campaign to convince the taxpayers to submit their tax returns through online. “After the submission of returns, the taxpayers can get their acknowledgment slips and certificates instantly,” he said.

The NBR chairman was addressing a press conference at the NBR Bhaban in the capital’s Agargaon area this afternoon. To make the tax return submission through online, he said there is no need to submit or upload any document while anyone can submit the e-return without any document. “For ease of doing business, there is no need to provide any document with the e-return,” he added. Rahman, also the Secretary of the Internal Resources Division, said there is no such need for the taxpayers to go to the tax offices to submit their income tax returns since e-return submission facility is available.

“We want to facilitate and encourage the taxpayers not to come to the tax offices and thus submit their return (through online) easily and without any cost. This is so convenient...” He mentioned that the NBR is talking to the respective authorities not to charge the online tax payment on percentage basis **r**



IMF retains India's GDP growth forecast at 7pc for FY25

The International Monetary Fund on October 23, 2024 kept its growth forecasts for India unchanged at 7 percent and 6.5 percent for the 2025 and the 2026 fiscal years, respectively. It held that pent up demand accumulated during the pandemic has been exhausted as the economy “reconnects” with its potential growth. “In India, the outlook is for GDP growth to moderate from 8.2 percent in the 2024 fiscal year to 7 percent in the 2025 fiscal year and 6.5 percent in the 2026 fiscal year. This is because pent-up demand accumulated during the pandemic has been exhausted, as the economy reconnects with its potential,” it said in its latest World Economic Outlook report.

Earlier this month, the Reserve Bank of India, in its latest monetary policy committee review, also kept its growth projection for the current financial year unchanged at 7.2 percent. It cited robust consumption and investment momentum. On the global growth front, the latest outlook notes that the growth projection is virtually unchanged from those made earlier in July. It is expected to remain stable yet underwhelming at 3.2 percent in 2024 and 2025. However, the growth forecast for 2025 has been marginally revised downwards by 10 basis points (bps) from 3.3 percent projected in July.

IMF notes that important sectoral and regional shifts underpin the stable global outlook with goods prices remaining elevated compared with those for services. This is a lingering effect of the pandemic and its aftermath. Also, a global shift from goods to services consumption is underway, with emerging markets like India and China gaining in manufacturing production.



“This rebalancing is tending to boost activity in the services sector in advanced and emerging markets but is dampening manufacturing. Manufacturing production is also increasingly shifting towards emerging market economies — in particular, China and India — as advanced economies lose competitiveness,” it said. For China, the IMF revised downwards its 2024 growth projection by 20 bps to 4.8 percent, while for the United States, it revised upwards by 20 bps to 2.8 percent.

“Deeper- or longer-than-expected contraction in China’s property sector, especially if it leads to financial instability, could weaken consumer sentiment. It could generate negative global spillovers, given China’s large footprint in global trade,” it noted. On the inflation front, the outlook noted that global headline inflation is expected to fall from an annual average of 6.7 percent in 2023 to 5.8 percent in 2024 and 4.3 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging markets and developing economies.

However, the outlook notes that although goods prices have stabilized, services price inflation remains

elevated in many regions, pointing to the calibration of monetary policy accordingly. “Further disruptions to the disinflation process, potentially triggered by new spikes in commodity prices amid persistent geopolitical tensions, could prevent central banks from easing monetary policy. This would pose significant challenges to fiscal policy and financial stability,” it added. For India, the October outlook projects a headline inflation figure of 4.4 percent for the 2025 fiscal year and 4.1 percent for the 2026 fiscal year. **■**

IMF’s \$7b bailout at risk as Pakistan’s economy weakens

The fundamental assumptions used to finalize the \$7 billion deal with the IMF have gone awry within a month of its approval, leaving the authorities concerned with an option either to renegotiate the package or keep suffocating the economy through more taxes, according to a media report on 31 October, 2024. Official statistics show that out of four key underlying assumptions for achieving the nearly Rs 13 trillion target—the economic growth rate, inflation, large-scale manufacturing and imports three assumptions have

already been proven wrong by the end of the first quarter of the current fiscal year.

The federal government has also overly committed on behalf of the four provincial governments that, too, are struggling to meet their conditions soon after the deal became effective. The Express Tribune newspaper reported that the official statistics for the first quarter (July-September) revealed that from the Federal Board of Revenue's tax collection target to provincial cash surpluses everything has gone off the mark. Deputy Prime Minister Ishaq Dar has also publicly spoken against the market-determined exchange rate regime, which is another core objective of the \$7 billion Extended Fund Facility. The IMF is again pressuring Pakistan to let the rupee further devalue; although as per Dar's views the rupee is already undervalued by at least 16 percent **r**

Cash-strapped Lanka records first deflation in 39 years

Cash-strapped Sri Lanka's economy recorded falling consumer prices for the first time in 39 years, official data showed, with the September inflation figure dipping to negative 0.5 percent. Census and Statistics Department data showed price drops in both food and non-food goods contributing to deflation in September, compared to inflation of 0.5 percent in August. Sri Lanka last recorded deflation in October 1985 with a figure of negative 2.1 percent. Inflation peaked at 69.8 percent two years ago at the height of an unprecedented economic crisis in the island nation.

Acute shortages of food, fuel and medicines led to months of protests that eventually forced then-president

Gotabaya Rajapaksa to temporarily flee the country and resign in July 2022. His successor Ranil Wickremesinghe secured a \$2.9 billion International Monetary Fund bailout and raised taxes and prices to stabilize the economy. Wickremesinghe lost office after a presidential election earlier this month. The winner of that contest, President Anura Kumara Dissanayake, has vowed to maintain the IMF program but relax some of the austerity measures it imposed **r**

WB forecasts Nepal's economic growth rebound

Nepal's economy is expected to rebound to 3.9 percent in the 2024 fiscal year owing to a lagged impact of the lifting of import restrictions, strong rebound in tourism, and the gradual loosening of monetary policy, according to the World Bank's twice-a-year country update. Released on October 03, 2024, the Nepal Development Update, Restoring Export Competitiveness, projects Nepal's economy to grow by 5 percent in the 2025 fiscal year. However, there are multiple risks to the outlook including an erratic monsoon, which could dampen agricultural growth; a renewed spike in commodity prices or continued food export bans by India which would raise prices; and higher inflation which could

keep policy rates elevated, increase domestic debt servicing costs, and drag on growth.

The report also explores the drivers of external competitiveness for Nepal. The country's total exports amounted to 6.9 percent of GDP in the 2023 fiscal year, representing only a third of the exports of other South Asian middle-income countries on average. The analysis finds that the real appreciation of the exchange rate and continued low labor productivity are associated with Nepal's lower exports. As per the report, Nepal suffers from labor productivity deficit across all three sectors – agriculture, industry, and services—compared to peer countries and its main trading partner, India.

“Amid challenges, Nepal is leading the way towards operationalizing its green, resilient, and inclusive development vision to shape the country's long-term economic recovery,” said Faris Hadad-Zervos, World Bank Country Director for Maldives, Nepal, and Sri Lanka. “Improved external competitiveness is key to driving this recovery and enabling Nepal to compete in export markets, in terms of both prices and quality. This requires emphasis on reforms to help increase domestic productivity and reduce the inflation differential with Nepal's trading partners” **r**



The Nepal Development Update is a companion piece to the latest South Asia Development Update, Toward Faster, Cleaner Growth, also launched, which projects South Asia to grow by 5.8 percent this year—higher than any other developing country region in the world, but slower than its pre-pandemic pace and not fast enough to meet its development goals.

Regional growth prospects are subject to downside risks, including due to fragile fiscal positions. Government debt in South Asian countries averaged 86 percent of GDP in 2022, increasing the risks of defaults, raising borrowing costs, and diverting credit away from the private sector. The region could also be affected by a further slowdown in China's economic growth and natural disasters made more frequent and intense by climate change.

Constrained by fiscal challenges, governments have limited room to help their economies fully capitalize on the global energy transition. Though often seen as an additional burden for developing countries, for South Asia, the energy transition could present an opportunity for future growth and job creation—if it leads to more investments by firms, cuts air pollution, and reduces the reliance on fuel imports. Even with limited fiscal space, countries can encourage firms to adopt more energy-efficient technologies through market-based regulations, information campaigns, broader access to finance, and reliable power grids.

“South Asia's energy intensity of output is about twice the global average and the region lags in the adoption of more advanced energy-efficient technologies,” said Franziska Ohnsorge, World Bank Chief Economist for South Asia. “Improvements in energy efficiency,

in the context of a rapid global energy transition, are an opportunity for South Asia to make progress toward both environmental and economic goals.”

The energy transition will also have significant impacts on South Asia's labor markets. Almost one-tenth of the region's workers are employed in pollution-intensive jobs. These jobs are concentrated among lower-skilled and informal workers who are more vulnerable to labor market shifts. While the energy transition can help create more new jobs, it could also leave some workers stranded in declining industries. The report recommends a wide range of policies to protect such workers, including providing better access to high-quality education and training, finance, and markets; facilitating worker mobility; and strengthening social safety nets **1**

Bhutan MoIT for strong supply chain for EVs

In a move to tackle challenges related to electric vehicle maintenance and related issues Minister of Infrastructure and Transport, Chandra Bdr Gurung, shared that the ministry is focusing on strengthening the supply chain and Point-of-Sale infrastructure. Lyonpo Chandra Bdr Gurung said that this involves a

comprehensive review of the entire EV logistics chain, and identify bottlenecks and encourage greater supplier participation. The goal is to foster competition and break existing monopolies, ultimately ensuring a wider range of EV parts and services are readily available to consumers.

Currently, a total of 620 EVs are registered in the country, with 300 EVs being taxis. The adoption of EVs has been spurred by a subsidized loan scheme under the UNDP-funded project, ‘Bhutan Low Emission Urban Transport System.’ This scheme has provided a 20 percent subsidy and facilitated 70 percent collateral-free loans in collaboration with the Bank of Bhutan. Only an initial deposit of 10 percent was covered by the taxi drivers.

However, challenges have emerged. Currently, 10 EV breakdowns and 71 loan defaulters have been reported, primarily due to issues such as EV accidents and breakdowns often face delays due to limited parts and skilled technicians, vehicle dealers failing to deliver EVs on time and sale of EV taxis without official ownership transfer with the BCTA or information to the FIs. He shared that while not all loan defaulters have genuine reasons, such as vehicle damage and lack of essential spare parts, the Department of Surface Transport under the ministry in collaboration



with the BoB has reviewed and supported loan deferment for 8 EV taxi drivers with genuine reasons within the current framework.

The ministry is working with FIs, government and vehicle dealers to implement risk mitigation measures. This includes an MoU with vehicle dealers requiring them to supply spare parts and perform maintenance within a defined timeframe. If dealers fail to fulfill these obligations, the EV driver's loan repayment will be pursued from the dealers **r**

Dollar-starved Maldives notifies foreign currency rules

Dollar-starved Maldives has floated a new foreign currency regulation, limiting types of transactions allowed in foreign currency and imposing mandatory foreign currency exchange controls on tourism establishments and banks. Maldivian economy appears to have taken a hit after calls to Indian tourists to avoid the picturesque island nation as a response to President Mohamed Muizzu's 'India Out' campaign last year. Maldives last month averted a potential default on an Islamic bond payment after India extended a \$50 million interest-free loan.

With its forex reserves not matching its import bill, the island nation's central bank, Maldives Monetary Authority on October 1 introduced a new regulation, requiring all foreign currency income generated by the tourism industry to be deposited in local banks.

MMA, which had in August imposed a strict dollar limit as Maldives found itself in a dollar shortage, published the new rules in the local Dhivehi language.

The Foreign Currency Regulation (Regulation No: 2024/R-91) mandates that all transactions within Maldives must be conducted in Maldivian Rufiyaa, except for those explicitly allowed in foreign currency. It also provides for payment for goods and services, value for works, fees, charges, rent and wages be made in local currency and prohibits invoicing for these transactions in foreign currency, according to the new regulation and FAQ released by MMA.

Transactions exempt include payments for exports, international transactions, remittance service providers and those that are legally mandated to settle in US dollars. All realized sales proceeds of tourist resorts and guesthouses, etc, are

required to be deposited to the foreign currency account held at a licensed bank in Maldives, as per the rules.

Also, every tourist resort, tourist vessel or tourist establishment operator (among others) have to exchange a minimum of \$500 to MVR per tourist (through a licensed bank in Maldives), proceeds of which can be utilized by the tourist operator for their operations.

Failure to comply with the regulation may lead to a fine of between MVR 5,000 and MVR 1,000,000.

Maldives' debt is estimated at 110 percent of its gross domestic product. While Fitch Ratings estimates the country's total external debt obligations growing to \$557 million in 2025 and \$1 billion by 2026, Moody's Ratings sees its total external debt obligations at about \$600 million to \$700 million in 2025.

The International Monetary Fund has also warned of a potential debt crisis. The new MMA rules provide for tourism goods and service providers registering with the central bank within 30 days.

The foreign currency earnings must be deposited into a local bank's foreign currency account, registered with MMA, within 87 days after the end of each month. The regulation specifies that transactions within the country must be conducted in Maldivian Rufiyaa, with certain exceptions. Any transaction made in foreign currency outside of the exempted categories will face fines ranging from MVR 10,000 to MVR 1 million.

This is the first time the Maldives, which saw 1.8 million tourist arrivals last year, has made such an exchange mandatory. The MMA expects the new regulation to lead to an increase in foreign currency exchanges from the tourism sector **r**



China posts slowest economic growth in 18 months

China posted its slowest growth in a year and a half on October 18 as Beijing struggles to steady an economy shaken by sluggish consumer spending and persistent property sector woes. Officials have in recent weeks unveiled a string of measures to reignite the world's number-two economy, with an eye to achieving its official annual growth target of 5 percent. But after a blistering share market rally fueled by hopes for a long-awaited "bazooka stimulus," optimism has tapered as authorities refrained from providing a specific figure for the bailout or detailing any of the pledges. Beijing's National Bureau of Statistics said the economy expanded 4.6 percent year on year in the third quarter – down from 4.7 percent in the previous three months and the slowest since early 2023, when China was emerging from its strict pandemic-era lockdown. Still, it was slightly better than the 4.5 percent predicted by analysts surveyed.


China's economic growth is also being hindered by sluggish domestic spending, with consumer wariness threatening to plunge the country into deflation. The September consumer price index – a key measure of inflation – missed expectations, speaking to continued lackluster demand. Recent weeks have seen authorities unveil a raft of measures to funnel cash into the economy including a string of rate cuts and loosened restrictions on home-buying. "We are waiting for more clarity on the fiscal stimulus," said Zhiwei Zhang, chief economist at Pinpoint Asset Management. "We may have to wait till November to find out details, as the outcome of the US election is probably one factor that influences the policy thinking in Beijing."

Ahead of the figures, state media said China's top banks had cut interest



rates on yuan deposits for the second time this year. Beijing says it has "full confidence" in achieving its annual growth goal, but economists say more direct fiscal stimulus is needed to revive activity and restore business confidence. Investors are clamoring for more specifics on how Beijing will shift its economy towards a consumption-driven model that can sustain long-term growth.

A major headache has been a prolonged crisis in the property sector, which has long been a key driver of growth but is now mired in debt. Officials said they would boost credit available for unfinished housing projects to more than \$500bn. Authorities also promised to facilitate the renovation of a million homes, a move intended to boost activity in the property sector. But as with a slew of much-touted briefings in the past week, news conference failed to impress with its lack of big-ticket financial pledges. A gauge of developers tracked by Bloomberg had fallen as much as 8.3 percent on the day, while iron ore and steel futures also weakened.

"Let's be honest, though – China's property mess isn't something that can be patched up with a few speeches and half-baked measures," Stephen Innes, managing partner at SPI Asset Management, said in a note .

Yen plunges as Bank of Japan dim rate hike hopes

The yen plunged after Japan's new prime minister, Mr Shigeru Ishiba, jolted currency markets by saying the economy is not ready for another interest rate hike from the central bank. The Japanese currency dropped 0.25 percent to 146.725 per US dollar on October 3, after falling more fell more than 2 percent overnight after Ishiba's comment, which was followed by similarly cautious remarks from Bank of Japan governor Kazuo Ueda.

If the move holds, it would mark the yen's sharpest daily drop in more than two years, far surpassing the swings seen during the intense market volatility of early August. Against the Singapore currency, the yen was trading little changed at 113.2490 as at 4.45pm Singapore.

The yen's volatility this week "highlights a very jittery market suggestive of deep-seated uncertainties about BOJ policy and the potential impact or interference of the Prime Minister," said Ms Jane Foley, head of foreign exchange strategy at Rabobank. "Going forward, I would expect less commentary from the Prime Minister about BOJ policy in view of the market's sensitivity."

In early August, traders painfully pulled back on currency bets funded by borrowing in yen, which offers a lower interest rate than Group of 10 peers, as the BOJ moved to raise interest rates. Volatility spiked and the yen initially rallied amid the global sell-off in so-called carry trades. Now, with the BOJ likely to hold off on rate hikes that might undercut the new administration, the outlook for the Japanese currency is souring.

“If the BOJ hikes the policy rate and shocks the market like on August 5, the impact to the Ishiba administration will be significant,” said Mitsubishi UFJ Trust and Banking in New York foreign exchange trader Yuya Yokota. “So, the BOJ will not hike their policy rate again this year, and the depreciation of the yen will continue to the end of this year.”

The yen’s decline was matched by a sell-off in Treasuries in the wake of a stronger-than-expected reading of the US jobs market, with the yield on benchmark 10-year debt rising some 5 basis points to 3.78 percent. After Federal Reserve chairman Jerome Powell said on Sept 30 that the US economy remains on solid footing, traders have tempered expectations of outsized Fed rate cuts.

“Powell reiterated that the Fed is more hawkish than the market on this year’s pace, and now the BOJ is saying that hikes are not on the table any more for now – a double whammy for the yen,” said Dr Leah Traub, a portfolio manager and head of the currency team at Lord Abbett. “The market got too bearish on the dollar a couple of weeks ago and now has to reposition.”

Yen option traders remain optimistic on the currency over the next week, month and quarter, although bullish sentiment has eased since early September. Hedge funds, meanwhile, remain short the currency but have trimmed bearish wagers in recent

weeks. The yen’s plunge follows another 1 percent dive two days earlier, which came after Powell’s comments pushed the dollar broadly higher against its Group of 10 peers **r**

Singapore factory output rises at 9.8pc in Sept

Singapore’s total manufacturing output rose for a third straight month in September, though the key electronics industry saw a slower pace of growth. Economists told The Straits Times that Singapore’s manufacturing recovery may stay on track despite the economic and geopolitical risks to global trade. With the smaller rise in electronics production, total output grew 9.8 percent from a year ago, down from the revised 22 percent jump in August, data from the Economic Development Board on October 25 showed.

Excluding the volatile biomedical manufacturing, factory output rose 4.5 percent. On a seasonally adjusted month-on-month basis, output was largely unchanged from August. Excluding biomedical manufacturing, it dropped 7.6 percent. UOB associate economist Jester Koh called September’s growth “remarkably resilient” and said it might mean an upward revision to Singapore’s gross domestic product for the third quarter of the year.

Meanwhile, Maybank analysts Chua Hak Bin and Brian Lee said the electronics recovery might remain intact despite the slower output growth in September. “That said, there are risks to Singapore’s export and manufacturing recovery on the horizon. These include more tariff barriers and a bigger US-China trade war (which could ensue from a Trump election win in November), an escalation of geopolitical conflicts in the Middle East, and a United States economic slowdown,” they said.

DBS Bank economist Chua Han Teng said that an escalation of ongoing geopolitical conflicts and protectionist measures could potentially dampen the pace of Singapore’s manufacturing and trade growth. These measures could disrupt global supply chains and result in a more fragmented trade landscape, he added.

EDB’s September data showed that all industries saw higher output, except for transport engineering. Electronics production, which accounts for nearly half of Singapore’s manufacturing output, grew 1.9 percent in September, down from a hefty 50 percent in August. But DBS’ Mr Chua said: “The global semiconductor industry is recovering well, and the upcycle has more runway, which will bode well for Singapore’s electronics firms.”



“We continue to expect Singapore’s electronics firms to capitalize on the opportunities driven by the replacement of smartphones and PCs, as well as the broadening adoption of artificial intelligence applications.” He added that external demand for Singapore’s electronics products remains supported, with new export orders growing for the 10th straight month through September. Within electronics, semiconductor output grew 3.1 percent year on year, compared with a 55.7 percent surge in August, while the infocomms and consumer electronics segment contracted 23 percent, reversing the previous month’s 28.5 percent expansion.

Computer peripherals and data storage production rose 25.8 percent, while the other electronic modules and components grew 4.4 percent. Overall, the electronics cluster grew 4.6 percent for the period from January to September 2024, compared with the same period a year ago **r**

South Korea’s chip production falls for first time in a year

South Korea’s semiconductor production fell from a year earlier for the first time in more than a year, in another sign that a boom cycle fueled by artificial intelligence (AI) development worldwide may be starting to cool. Nationwide semiconductor production slid 3 percent in September, a sharp reversal after it gained 11 percent a month earlier, according to official data released on October 31. The growth in shipments also slowed to 0.7 percent from 17 percent in August.

Still, inventory levels showed stockpiles continue to be worked through at a rapid clip, as they



declined 41.5 percent from a year earlier in September. The numbers paint a picture of an industry that may be cooling gradually as demand for memory chips peaks. Semiconductors are the biggest drivers of exports and economic growth for South Korea. They are important to Singapore, too, accounting for about 40 percent of its manufacturing output.

Separately on October 31, Samsung Electronics reported earnings that showed its semiconductor division missed market expectations for operating profit, earning just 3.86 trillion won (\$3.7 billion) in the third quarter, a result that fell shy of a consensus estimate of 6.7 trillion won. But Samsung shares surged after the company said it is making progress in winning certification from Nvidia for its most advanced AI memory chips, according to an executive. The once-dominant memory maker is fighting to get its latest chips certified by Nvidia to help AI accelerators work. This has provided an unusually long window for rivals SK Hynix and Micron Technology to carve out a commanding lead in the booming high-bandwidth memory arena.

But Samsung now expects to sell its highest-margin and most advanced HBM3E chips to customers in the fourth quarter, with the company making “meaningful” progress in the

qualification process with a major customer, Mr Kim Jae-june, executive vice-president of Samsung’s memory business, said on an earnings call. Shares of SK Hynix fell as much as 4.6 percent after the remarks **r**

Malaysia to phase out fuel subsidies

The stronger ringgit coupled with softer oil prices of late present a good opportunity for Malaysia’s government to remove petrol subsidies, a key plank of its economic reforms, say analysts. Malaysian Prime Minister Anwar Ibrahim said in October 2023 that his administration intends to float the price of the heavily subsidized petrol known as RON95 as part of reforms needed to bolster government finances, but has yet to announce an implementation date.

The ringgit has recently outperformed the world’s currencies, appreciating over 14 percent versus the US dollar in the third quarter of 2024. For the year to date, the ringgit has appreciated over 8 percent against the US dollar to close on October 4 at RM4.21, from RM4.59 at the beginning of 2024. The local currency also strengthened against the Singapore dollar by more than 6 percent to RM3.24 on October 4 from RM3.47 on January 1.

Saudi GDP grows 2.8pc in Q3: GASTAT

Saudi Arabia's real gross domestic product rose by 2.8 percent in the third quarter of this year compared to the same period in 2023, driven by an increase in non-oil activities, official data showed. According to the General Authority for Statistics, the Kingdom's non-oil sector expanded by 4.2 percent year on year in the third quarter, reflecting the goals of Vision 2030 to diversify the economy beyond oil revenues.



GASTAT data also showed a 3.1 percent rise in government activities year on year, while oil activities grew by a modest 0.3 percent. On a quarterly basis, Saudi Arabia's seasonally adjusted real gross domestic product rose by 0.8 percent in the third quarter compared to the second quarter. Breaking down quarterly figures, non-oil activities increased by 0.5 percent, while oil activities saw a 1.5 percent gain. However, government activities declined by 0.3 percent quarter over quarter. Earlier this month, the International Monetary Fund projected Saudi Arabia's economy to grow by 1.5 percent in 2024 and 4.6 percent in 2025, affirming the

Kingdom's economic resilience. The World Bank echoed similar optimism, forecasting growth of 1.6 percent this year and acceleration to 4.9 percent in 2025.

These IMF and World Bank projections exceed Saudi Arabia's own pre-budget forecast, which estimated GDP growth of 0.8 percent in 2024, bolstered by a 3.7 percent rise in non-oil activities. Credit rating agency S&P Global, in its September report, also highlighted Saudi Arabia's economic resilience, forecasting GDP growth of 1.4 percent in 2024 and 5.3 percent in 2025, driven by the Kingdom's commitment to economic diversification and reducing reliance

on oil revenues.

Affirming the progress of Saudi Arabia's economic diversification, GASTAT reported earlier this month that the Kingdom's non-oil exports, including reexports, increased by 7.5 percent in August, reaching SR27.52 billion compared to the same month last year. On a monthly basis, Saudi Arabia's non-oil exports rose by 8.13 percent in August from July levels. During the Future Investment Initiative's eighth edition, Saudi Arabia's Minister of Finance Mohammed Al-Jadaan highlighted the sector's growth, noting that non-oil GDP now represents 52 percent of the Kingdom's economy **r**

UAE world's most 'economically stable' country

The UAE has been named the world's most economically stable country in a ranking of 89 countries. The Arab world's second-largest economy also ranked high for 'entrepreneurship' and 'open for business.' The ranking by US News and World Report attributes the UAE's success to its low manufacturing costs, favorable tax environment, minimal bureaucracy, absence of corruption, and transparency in government practices, allowing it to outpace long-time economic leaders.

"The UAE is one of the Gulf's most

liberal countries, with a constitution that allows for freedom of religion," the US publication said its report. Switzerland, Germany, Canada, Japan, Australia, Sweden, Denmark, Netherlands and Saudi Arabia were the other countries in the top 10.

The UAE scored 86.9/100 points for connectivity to the rest of the world under the 'entrepreneurship' category. The country also achieved a score of 90.7 for being entrepreneurial. The UAE also scored high for having a well-developed infrastructure (84/100) and digital

infrastructure (87/100). The UAE scored 100 for having a favorable tax environment. Under 'quality of life' subhead, the UAE achieved a score of 86.9 for having a good job market, and a full 100 for being economically stable.

"The UAE's per capita gross domestic product is on par with those of leading Western European nations, according to the CIA's World Factbook. And the World Economic Forum has named the country the most competitive economy in the Arab world," the report said. Abdullah bin Touq Al

Marri, Minister of Economy, has said the UAE will become a leading global hub for the new economy by the next decade due to legislative developments and economic policies adopted by the country over the past few years. "We now have an ambitious vision, which is to build a national economy based on knowledge and innovation by the next decade, to become a strong driver in achieving comprehensive development for the UAE, and to contribute in achieving the sustainable development goals," he said.

Michael Bolliger, chief investment officer of Emerging Markets at UBS Global Wealth Management, stated that the UAE's GDP growth is expected to surpass 5 percent in 2025. Last week, the International Monetary Fund has raised UAE's growth forecast for next year by 0.9 percent on the back of strong growth in non-oil sectors and steady crude prices. According to the October edition of World Economic Outlook, the UAE's GDP is projected to grow 5.1 percent in 2025 compared to the 4.2 percent it projected in April's edition of WEO.

The World Bank recently projected the UAE's GDP growth at 3.3 percent in 2024, increasing to 4.1 percent in 2025. According to the report, the UAE's current account surplus is expected to decrease to 7.5 percent in 2024, down from 9.2 percent of GDP in 2023, despite ongoing diversification efforts **r**

Qatar's per capita income third highest in world

Qatar's per capita income was \$38,241 by the end of 2004, making it the third richest country in the world, according to Kuwait-based Global Investment House, a regional financial research center. The two countries that have more per capita income than Qatar are Luxembourg and Norway, GIH said. The fast pace



of economic growth in Qatar is set to continue over the medium-term, with gas exports planned to multiply four times over the next six to eight years. Political reforms are also in progress to support the country's impressive economic performance.

In June 2004, Qatar's first permanent Constitution was signed into a law following its overwhelming endorsement in a national referendum in April 2003. In a move to attract international interest in Qatar, the government issued a decree in June 2004 that allows non-Qataris to own real estate in select housing projects.

The law permits Qataris and non-Qataris to buy and own real estate of any description in any of the three proposed projects, namely, Pearl Island, West Bay Lagoon and Al Khor resort. Non-Qatari buyers could own real estate in the three projects for 99 years and that would be extendable for another 99 years. Qatar has begun issuing permanent residence visas to foreigners who buy freehold property in select housing projects.

The move is aimed at projecting the country as an open and cosmopolitan society and to compete with a similar legislation already in force in the neighboring emirate of Dubai. The opening of the Qatari bourse to foreigners is also one of the bold steps, which shows proactive policy initiatives of the Qatari government.

The country's gross domestic product leaped to the equivalent of \$28.45 billion in 2004, from \$23.7 billion in 2003. The sharp growth in the GDP actually led to a considerable increase in the per capita income **r**

Kuwait investment firms' assets slump

Assets held by Kuwaiti investment companies slumped by 32 billion dollars in the six months to January as a result of the global economic meltdown, official media said on October 02. The assets of 99 Kuwaiti investment firms slid 31 percent to 72 billion dollars from 103 billion dollars at the end of July, the KUNA news agency reported, citing official figures. The drop reflected a 45 percent or 26-billion-dollar decline in their holdings of companies listed on the Kuwait Stock Exchange, as well as falls in local mutual funds and investments abroad. Kuwait's bourse, like others in the oil-rich Gulf states, has dropped by around 57 percent since peaking at the end of June, wiping 100 billion dollars off the market's capitalization.

About half of Kuwait's investment firms are listed on the bourse but all are overseen by the central bank. A number of local investment firms have defaulted on loans estimated at 18 billion dollars, including eight billion dollars owed to foreign banks, because of the credit crunch **r**

US economy to grow at robust rate days before elections

The pace of US economic growth slowed over the summer but continued its two-year expansion, according to data released, days before millions of voters decide whether Kamala Harris or Donald Trump is best placed to lead it forward. US gross domestic product – a broad measure of economic health – rose by 2.8 percent in the third quarter, short of economists' expectations of 3.1 percent, and down from the previous quarter's 3 percent reading. The increase was driven primarily by consumer spending, exports and federal government spending.

US policymakers scrambled to bring down inflation from its highest level in a generation two years ago. The Federal Reserve rapidly increased interest rates to tamp down prices in a move that economists feared risked tipping the world's largest economy into recession. Such effects failed to materialize.

"Despite earlier fears that the US economy was headed for recession, growth continued to outperform," said Paul Ashworth, chief North America economist at Capital Economics. "Overall, the US economy appears to be doing just fine." US economic growth has been surprisingly resilient under Joe Biden, with only one quarter – the first of 2022 – in decline, as the shockwaves of the Covid-19 pandemic continued to rattle the global economy.

Inflation has fallen from a generational high of 9.1 percent in June 2020 to an annual rate of 2.4 percent in September, its lowest rate in over three years. But many Americans still aren't feeling it. Almost half wrongly believe the US is in recession, according to a Harris Poll conducted exclusively for the Guardian last month. Years of rising prices continue to take their toll.



In a speech in Washington on October 30, Harris once again tried to allay voters' fears. The Democratic candidate for president promised to assist first-time homebuyers, ban price-gouging at supermarkets and cap the price of insulin. "I will deliver tax cuts to working people and the middle class ... I will lead in honoring the dignity of work," she said. Trump has sought to portray the Biden administration as a "destroyer" of jobs, despite US employers adding millions of jobs in recent years. Harris, Biden's vice-president, has acknowledged that the cost of living remains "just too high" for many, and has pledged to take action to help.

The latest GDP report was released ahead of closely watched jobs data for October, the last employment report before the election. Economists expect the economy to have added about 125,000 new positions over the month. That figure would be a sharp drop from the 250,000 jobs added in September, when hiring unexpectedly accelerated, and will probably reflect the strike at Boeing and the impact of Hurricanes Helene and Milton.

But there are signs that the US's resilient jobs market may also shake off last month's disruptions. ADP, the US's largest payroll supplier, said private companies hired 233,000 new

workers in October, the best month for job creation since July 2023, up from 159,000 in September and far ahead of the estimated 113,000. "Even amid hurricane recovery, job growth was strong in October," ADP's chief economist, Nela Richardson, said. "As we round out the year, hiring in the US is proving to be robust and broadly resilient" **R**

UK's Labour govt ups taxes by 40b pounds in first budget

British Chancellor of the Exchequer Rachel Reeves has told lawmakers that taxes will rise by 40 billion British pounds (\$52bn) in order to plug a hole in the public finances and provide new funding for the United Kingdom's cash-starved public services, in a wide-ranging budget statement that could set the tone for years to come. In the Labour Party's first budget since returning to power earlier this year after 14 years in opposition, Reeves said she was also changing the UK's rules so the government can "invest, invest, invest" and spur economic growth. Her biggest cash commitment was an additional 25 billion pounds (\$32.5bn) for the country's National Health Service, which has seen waiting lists rise to record levels in the

wake of the coronavirus pandemic.

“The choices that I have made today are the right choices for our country,” Reeves said at the end of her statement. “To restore stability to our public finances. To protect working people. To fix our NHS. And to rebuild Britain.” Reeves said the tax hike, which in large part comes from an increase in the tax businesses pay for employing people, is needed because of the economic “black hole” left by the previous Conservative government. Her center-left party was elected on July 4 after promising to banish years of turmoil and scandal under Conservative governments, get Britain’s economy growing and restore frayed public services. Reeves has said she will not let public debt balloon, mindful of how former Conservative Prime Minister Liz Truss sent the bond market into a tailspin two years ago with unfunded tax cut plans.

She also announced that she would raise the rate of social security contributions paid by employers by 1.2 percentage points to 15 percent from April next year, and lower the threshold at which firms start to pay it – moves which would raise an extra 25 billion pounds (\$32.5bn) a year over five years’ time. Company bosses have warned that higher taxes on them, combined with planned new protections for workers and an increased minimum wage, could undermine Labour’s promises to turn Britain into the fastest-growing Group of Seven economy.

Reeves announced a string of other revenue-raising moves including changes to the tax rules on capital gains and inheritances and tax paid by private equity executives and non-domiciled residents. Prime Minister Keir Starmer had warned “those with the broadest shoulders” would have to pay more tax. But Reeves ruled out making more individuals pay basic

and higher income tax rates after a freeze on the threshold for payments expires in the 2028–29 tax year. She also extended a freeze on fuel duty and cut a tax on draught beer served in pubs **■**

Eurozone economy grows more than expected

The eurozone economy grew faster than expected between July and September, buoyed by Germany’s surprise expansion, official data showed, but experts warned of slow growth in the months ahead. The European Union’s official data agency said the 20-country single currency area recorded growth of 0.4 percent over the July-September period from the previous three months. France’s Olympics Games boost and better-than-expected Spanish growth also pushed the figure higher than the 0.2 percent predicted by analysts surveyed by Bloomberg. There will be relief in Europe after fears that Germany would weigh down the eurozone. Europe’s output has however consistently grown slower than the United States and China.

The US economy grew by 0.7 percent between July and September compared with the previous three months, the Department of Commerce said on October 30. Analysts expect slower eurozone growth in the final three months of 2024. The figure

was “in part driven by one-offs,” Bert Colijn of ING Bank said, pointing to Ireland’s “notoriously volatile” growth which had a positive effect. “For the quarters ahead though, we think it’s fair to expect a slowdown in growth again as the outlook remains weak,” Colijn added. In the previous quarter the eurozone only grew by 0.2 percent, after 0.3 percent in the first three months of the year. Colijn said the economy “remains sluggish” and warned “growth in the fourth quarter is likely to come in lower” **■**

German economy grows 0.2pc ending recession fears

Germany’s economy grew in the three months to the end of September, ending fears that Europe’s largest economy would slip back into recession. Predictions that the German economy would shrink for a second consecutive quarter proved unfounded as gross domestic product increased by 0.2 percent in the third quarter after a 0.3 percent contraction in the previous quarter. Germany’s minister for economic affairs, Robert Habeck, said: “This is still far from what we need, but at least it is a ray of hope.” Growth in Germany lifted the wider eurozone economy, which expanded by 0.4 percent in the third quarter, twice the 0.2 percent rate predicted by economists.



Economists said the inflation shock that followed Russia's invasion of Ukraine – sparking a dramatic increase in energy and food prices that undermined business and consumer confidence across the eurozone – was beginning to ease. Alexander Krüger, the chief economist at the private bank Hauck Aufhäuser Lampe, said: “Under the weight of many structural weaknesses, the economy is sending out a sign of life. This is thanks to the consumers, who have let their guard down a little.”

The consultancy Oxford Economics said the available information suggested most of the growth across the eurozone came from household and government spending, while investment continued to be restricted by high interest rates. France's economy expanded by 0.4 percent, up from 0.2 percent in the second quarter, thanks to a boost from the Olympic Games in the summer, while Spain marked itself out as Europe's growth hub, growing by 0.8 percent, largely due to a surge in tourism. Only Italy was among Europe's large economies to stagnate in the third quarter.

Giorgia Meloni's government is officially forecasting the Italian economy will grow by 1 percent this year, but after downward revisions to the first two quarters, the economy minister, Giancarlo Giorgetti, said this month that the goal may be out of reach. Moody's Analytics' senior economist, Kamil Kovar, said the figures put to rest any questions of whether the eurozone was in recession. “It is not, and such worries were always overblown.

“That said, there is a clear continuing weakness in investment, suggesting that worries about the outlook are not completely misplaced. “We believe that the release, together with the rebound in inflation, will shut down any talk about [a] jumbo-sized cut

at the December European Central Bank meeting, and we also remain skeptical about expectations of a rate cut in January” **1**

Sweden, Norway rethink cashless society plans

Sweden and Norway are backpedaling on plans for cashless societies over fears that fully digital payment systems would leave them vulnerable to Russian security threats, and concern for those unable to use them. A combination of good high-speed internet coverage, high digital literacy rates, large rural populations and fast-growing fintech industries had put the Nordic neighbors on a fast track to a future without cash. Swish, a mobile payment system that six banks launched in 2012, is ubiquitous in Sweden, from market stalls to coffee shops and clothes stores. The Norwegian equivalent, Vipps, which merged with Danish MobilePay in 2022 to form Vipps MobilePay, is also very popular. Last month, it also launched in Sweden.

The former deputy governor of Sweden's central bank predicted in 2018 that Sweden would probably be cashless by 2025. But Russia's invasion of Ukraine in 2022 and a subsequent rise in cross-border hybrid warfare and cyber-attacks blamed on pro-Russia groups have prompted a rethink. The Swedish government

has since completely overhauled its defense and preparedness strategy, joining NATO, starting a new form of national service and reactivating its psychological defense agency to combat disinformation from Russia and other adversaries. Norway has tightened controls on its previously porous border with Russia.

The security rethink extends to the fundamentals of how people pay for goods and services. In a brochure with the title *If Crisis or War Comes* that will be sent to every home in Sweden next month, the defense ministry advises people to use cash regularly and keep at least a week's supply in various denominations as well as access to other forms of payment such as bank cards and digital payment services. “If you can pay in several different ways, you strengthen your preparedness,” it says.

The government is also considering legislation to protect the ability to pay in cash for certain goods. Cash is legal tender in Sweden, but shops and restaurants can effectively make themselves cashless as long as they display a notice setting out their restrictions on payment methods. Norwegian retail customers have always had the right to pay in cash, but it has not been enforced and in recent years increasing numbers of retailers have gone cashless, locking out about 600,000 people who do not have access to digital services **1**



ব্যাংকের পর আর্থিক প্রতিষ্ঠানের সুদ হারও বাজারভিত্তিক

ব্যাংকের পর এবার ব্যাংক বহির্ভূত আর্থিক প্রতিষ্ঠানের (এনবিএফআই) ঋণ ও আমানতের সুদহার বাজারের ওপর ছেড়ে দিল বাংলাদেশ ব্যাংক। ফলে এখন থেকে এনবিএফআইগুলো তাদের নিজ নিজ প্রতিষ্ঠানের ঋণ, লিজ বা বিনিয়োগের সুদহার নির্ধারণ করতে পারবে। একইভাবে পারবে আমানতের সুদহার নির্ধারণ করতে। এতদিন এ খাতের প্রতিষ্ঠানগুলোর ঋণের সুদহার নির্ধারণ হতো সিক্স মানথস মুভিং এভারেজ রেট অব ট্রেজারি বিল বা স্মার্ট পদ্ধতি অনুযায়ী। সম্প্রতি বাংলাদেশ ব্যাংকের আর্থিক প্রতিষ্ঠান ও বাজার বিভাগ এক সার্কুলার জারির মাধ্যমে এনবিএফআইগুলোকে বাজারভিত্তিক সুদহার নির্ধারণের নির্দেশনা দিয়েছে।

২০২৩ সালের জুন মাস থেকে স্মার্ট পদ্ধতি অনুযায়ী ব্যাংক ও এনবিএফআই উভয় খাতের প্রতিষ্ঠানই ঋণের সুদহার নির্ধারণ করে আসছিল। উল্লেখ্য, চলতি বছরের ৯ মে থেকে ব্যাংক ঋণের সুদহার নির্ধারণের ক্ষেত্রে স্মার্ট পদ্ধতি অনুসরণ করার নির্দেশনা তুলে নেয় বাংলাদেশ ব্যাংক। এরপর থেকে ব্যাংকগুলো নিজেরাই ঋণের সুদহার নির্ধারণ করতে শুরু করে। বর্তমানে ব্যাংক খাতের ঋণের সুদহার ১৬ শতাংশের

আশপাশে রয়েছে। সার্কুলারে বলা হয়, আর্থিক প্রতিষ্ঠানগুলো ঋণের খাতভিত্তিক সুদহার ও আমানতের সুদহার তাদের ওয়েবসাইটে প্রকাশ করবে। ঝুঁকি বিবেচনায় গ্রাহকভেদে নির্ধারিত সীমার মধ্যে সুদ বা মুনাফার হারে ১ শতাংশ পর্যন্ত তারতম্য করা যাবে। বাজার বহির্ভূত হারে ঋণ ও আমানতের ওপর সুদ দেওয়া যাবে না বলেও শর্ত জুড়ে দেওয়া হয়েছে সার্কুলারে। এতে বলা হয়েছে, ঋণ বিতরণের পরবর্তী ছয় মাসের মধ্যে সুদহার বাড়ানো যাবে না। এরপর প্রতি ছয় মাস অন্তর বাজার সুদহারের ভিত্তিতে বিতরণ করা ঋণের সুদহার পুনরায় নির্ধারণ করতে পারবে এনবিএফআইগুলো।

সার্কুলারে আরো বলা হয়, কোনো ঋণ অথবা ঋণের কিস্তি সম্পূর্ণ বা আংশিক মেয়াদোত্তীর্ণ হিসেবে চিহ্নিত হলে যে সময়ের জন্য মেয়াদোত্তীর্ণ হবে, ঐ মেয়াদোত্তীর্ণ কিস্তির ওপর নিয়মিত সুদহারের অতিরিক্ত সর্বোচ্চ শূন্য দশমিক ৫০ শতাংশ দন্ড সুদ আরোপ করতে পারবে এনবিএফআই। এনবিএফআইগুলোকে ঘোষিত সুদহারের অতিরিক্ত কোনো সার্ভিস চার্জ আরোপ বা আদায় না করারও নির্দেশনা দিয়েছে

বাংলাদেশ ব্যাংক। তবে দন্ড সুদ আরোপের ক্ষেত্রে গ্রাহকভিত্তিক পরিচালক পর্ষদের অনুমোদন গ্রহণ করতে হবে।

বাংলাদেশ ব্যাংক বা সরকারের গঠিত প্রণোদনা প্যাকেজ, বিশেষ তহবিল, পুনঃঅর্থায়ন, প্রাক-অর্থায়ন তহবিলের আওতায় প্রদত্ত ঋণের সুদহার নির্ধারণে সংশ্লিষ্ট তহবিলের জন্য প্রণীত নীতিমালা প্রযোজ্য হবে। ইসলামী শরীয়াহভিত্তিক পরিচালিত ফাইন্যান্স কোম্পানিগুলো তাদের দেওয়া বিনিয়োগের ক্ষেত্রে উল্লিখিত নির্দেশনা অনুসরণ করে মুনাফা নির্ধারণের প্রয়োজনীয় ব্যবস্থা গ্রহণ করবে। সংশ্লিষ্ট মাসের ৭ তারিখের মধ্যে ঐ মাসের ঘোষিত সুদহার বিবরণী রেশনালাইজড ইনপুটি টেমপ্ল্যাট ব্যবহার করে ওয়েবপোর্টালে আপলোড করার বিষয়টি চলমান থাকবে বলে নির্দেশনায় বলা হয়েছে। এই নির্দেশনার মাধ্যমে ঋণ-আমানতের স্মার্ট রেট সম্পর্কিত আগে জারি করা সার্কুলারগুলোর নির্দেশনা রহিত করা হলো। ফাইন্যান্স কোম্পানি আইন, ২০২৩ এর ৪১(২) (ঘ) ধারায় প্রদত্ত ক্ষমতাবলে এ নির্দেশনা জারি করেছে কেন্দ্রীয় ব্যাংক। যা যা অবিলম্বে কার্যকর হবে।

দেশের অর্থনীতিতে মূল চ্যালেঞ্জ ৩টি: বিশ্বব্যাংক

বাংলাদেশের অর্থনীতিতে তিনটি প্রধান চ্যালেঞ্জ রয়েছে বলে মনে করে বিশ্বব্যাংক, এগুলো হচ্ছে-মূল্যস্ফীতি, আর্থিক খাতের ভঙ্গুরতা ও বহিষ্কৃত চাপ। এসব চ্যালেঞ্জ মোকাবিলায় অন্তর্বর্তী সরকারকে প্রধান কিছু সংস্কারের পাশাপাশি কর্মসংস্থান সৃষ্টি, সরকারি সেবার মান উন্নয়ন এবং স্বচ্ছতা ও জবাবদিহি নিশ্চিত জোর দিতে হবে। সম্প্রতি প্রকাশিত বাংলাদেশ ডেভেলপমেন্ট আপডেটের অক্টোবর সংখ্যায় বিশ্বব্যাংক এসব কথা বলেছে। একই সঙ্গে সংস্থাটি চলতি অর্থবছরে বাংলাদেশে অর্থনৈতিক প্রবৃদ্ধি কমে ৪ শতাংশ হবে বলে পূর্বাভাস দিয়েছে। এর পেছনে দেশের অভ্যন্তরীণ ও বৈশ্বিক কারণ দায়ী বলে তারা জানিয়েছে। ওর ওপর বর্তমানে রাজনৈতিক অনিশ্চয়তা রয়েছে; সঙ্গে আছে রাশিয়া-ইউক্রেন ও মধ্যপ্রাচ্য যুদ্ধের প্রভাব। এসব কারণে প্রবৃদ্ধি খুব বেশি বাড়বে না।

বাংলাদেশের অন্যতম উন্নয়ন সহযোগী বিশ্বব্যাংক বলেছে, চলতি ২০২৪-২৫ অর্থবছর শেষে দেশে মূল্যস্ফীতি কিছুটা কমে ৯ শতাংশে

নেমে আসতে পারে। এতে বাংলাদেশের মানুষ কিছুটা স্বস্তি পেতে পারেন। সংবাদ সম্মেলনে প্রধান অতিথি হিসেবে ওয়াশিংটন থেকে ভার্সুয়াল মাধ্যমে যুক্ত ছিলেন বাংলাদেশ ও ভূটানে বিশ্বব্যাংকের কাফি ডিরেক্টর আব্দুল্লায়েক। সংবাদ সম্মেলনে উপস্থিত ছিলেন বিশ্বব্যাংকের ঢাকা কার্যালয়ের জ্যেষ্ঠ অর্থনীতিবিদ ধরব শর্মা, অর্থনীতিবিদ নাজমুস খান ও জ্যেষ্ঠ যোগাযোগ কর্মকর্তা মেহেরিন এ মাহবুব।

বিশ্বব্যাংকের কাফি ডিরেক্টর আবদৌলয়ে সেক বলেন, সাম্প্রতিক বছরগুলোতে বাংলাদেশে প্রবৃদ্ধির তথ্য এলেও তা কর্মসংস্থান সৃষ্টিতে খুব একটা ভূমিকা রাখেনি। এ কারণে প্রতিবছর বিপুলসংখ্যক যুবক চাকরির বাজারে প্রবেশ করতে পারেননি। বিশেষকরে শিক্ষিত যুবক ও নারীদের অনেকেই তাঁদের কাঙ্ক্ষিত চাকরি খুঁজে পাননি। আর সাম্প্রতিক রাজনৈতিক অস্থিরতার কারণে দেশের শিল্প ও সেবা খাতের কার্যক্রম ক্ষতিগ্রস্ত হয়েছে। যদিও এখন পরিস্থিতি আগের চেয়ে ভালো দিকে। তিনি বলেন,

বিভিন্ন প্রতিকূলতা সত্ত্বেও সব সময় দৃঢ়তার সঙ্গে ঘুরে দাঁড়ানোর ভালো ইতিহাস রয়েছে বাংলাদেশের। আশা করছি, সরকার দেশের আর্থিক পরিস্থিতি স্বাভাবিক ও ব্যবসায়ের পরিবেশ উন্নত করতে জরুরি ও সাহসী সংস্কার কার্যক্রম গ্রহণ করবে। এর মাধ্যমে বাংলাদেশ লাখ লাখ যুবকের কর্মসংস্থান ও অন্তর্ভুক্তিমূলক প্রবৃদ্ধির পথে ফিরতে পারবে।

বিশ্বব্যাংক জানায়, দেশের ব্যাংকিং ব্যবস্থায় তারল্য এখনো সংকুচিত অবস্থায় রয়েছে। অন্যদিকে খেলাপি ঋণের হারও উচ্চ পর্যায়ে আছে। খেলাপির যথাযথ সংজ্ঞায়ন না থাকা, প্রকৃত তথ্য না দেওয়া, ছাড় বা মাফ করে দেওয়ার প্রবণতা এবং দুর্বল নিয়ন্ত্রণ ব্যবস্থার কারণেই মূলত খেলাপি ঋণ এত বেশি। যদিও বাংলাদেশ ব্যাংক সম্প্রতি এসব বিষয়ে ত্বরিত ও কার্যকর কিছু উদ্যোগ নিয়েছে। অন্তর্বর্তী সরকার ব্যাংক খাতকে স্থিতিশীল ও প্রতিষ্ঠানকে শক্তিশালী করার কাজে হাত দিয়েছে। এর অংশ হিসেবে কয়েকটি ব্যাংকের পরিচালনা পর্ষদ

পুনর্গঠন ও টাঙ্কফোর্স গঠন করেছে। সংস্থাটি বলেছে, রাশিয়া-ইউক্রেন যুদ্ধ ও মধ্যপ্রাচ্য যুদ্ধসহ বহিঃস্থ আরও কিছু কারণ বাংলাদেশের অর্থনীতির জন্য বড় চ্যালেঞ্জ হিসেবে দেখা দিয়েছে। তা সত্ত্বেও বাংলাদেশ ভালো করেছে। লেনেনেদের ভারসাম্য ও চলতি হিসাবে উন্নতি ঘটেছে। সম্প্রতি আন্তর্জাতিক মানের সঙ্গে মিলিয়ে দেশের রপ্তানির তথ্য সংশোধন করা হয়েছে। এটিও ইতিবাচক দিক। বৈদেশিক মুদ্রার রিজার্ভ বর্তমানে ২০ বিলিয়ন ডলারে স্থিতিশীল আছে। এ ছাড়া প্রবাসী আয় আসার পরিমাণও বেড়েছে।

আন্তর্জাতিক নয় অভ্যন্তরীণ বেড়েছে মূল্যস্ফীতি; বাংলাদেশ ব্যাংকের মূল্যায়ন প্রতিবেদন

দেশে দুই বছরের বেশি সময় ধরে উর্ধ্বমুখী মূল্যস্ফীতি বিরাজ করছে। এর আগে নিত্যপণ্যের বাজারে এ মাত্রার উর্ধ্বমুখিতা এত দীর্ঘ সময় বিরাজ করতে দেখা যায়নি। দ্রব্যমূল্যের ক্রমাগত বৃদ্ধিতে কমছে মানুষের ক্রয়ক্ষমতা ও প্রকৃত আয়। কেন্দ্রীয় ব্যাংকের এক মূল্যায়ন প্রতিবেদনের তথ্য অনুযায়ী, দেশে মূল্যস্ফীতি জেকে বসেছে মূলত অভ্যন্তরীণ উপাদানগুলোর কারণেই। সর্বশেষ জুলাই-সেপ্টেম্বর প্রান্তিকে দেশের মূল্যস্ফীতির গতিবিধি নিয়ে সম্প্রতি 'ইনফ্লেশন ডায়নামিকস ইন বাংলাদেশ' শীর্ষক নিয়মিত ত্রৈমাসিক প্রতিবেদন প্রকাশ করেছে বাংলাদেশ ব্যাংক। এতে উঠে আসা তথ্য অনুযায়ী, এ তিন মাসে হেডলাইন মূল্যস্ফীতির অর্ধেকের বেশি বা ৫১ শতাংশ এসেছে খাদ্যপণ্য থেকে।

এর মধ্যে বড় অবদান রেখেছে খাদ্যশস্য ও সবজির মূল্যবৃদ্ধি। এর আগে এপ্রিল-জুন প্রান্তিকে খাদ্যপণ্যে মূল্যস্ফীতির বড় প্রভাবক ছিল আমিষ পণ্য, মসলা ও রান্নায় ব্যবহৃত প্রয়োজনীয় পণ্য। পাশাপাশি চাল, গম ও সবজির দামে উর্ধ্বমুখিতারও ব্যাপক প্রভাব দেখা গেছে। এসব পণ্যের দাম ক্রমাগত বাড়তে থাকায় জুলাইয়ে বাংলাদেশে মূল্যস্ফীতির হার বেড়ে দাঁড়ায় গত এক যুগে সর্বোচ্চ। বিশেষকরে খাদ্য মূল্যস্ফীতির হার উঠে দাঁড়ায় ১৩ বছরে শীর্ষে।

মূল্যস্ফীতি নিয়ন্ত্রণে না আসার পেছনে নীতিনির্ধারণীদের কার্যকর পদক্ষেপ নিতে না পারাকে দায়ী করছেন বিশ্লেষকরা। তারা মনে করছেন, বিগত সরকার বাজার নিয়ন্ত্রণে কার্যকর কোনো পদক্ষেপ নিতে পারেনি। আর বর্তমান

অন্তর্ভুক্তি সরকার মূল্যস্ফীতি নিয়ন্ত্রণে বাজারে অভিযানের ওপরেই নির্ভর করছে বেশি। শুধু এর ওপর নির্ভর করে থাকলে তা কার্যকর হবে না। জুলাই-সেপ্টেম্বর প্রান্তিকে শেষে দেশে খাদ্যবহির্ভূত পণ্যের মূল্যস্ফীতির হার ৯ দশমিক ১৫ থেকে বেড়ে ৯ দশমিক ৫ শতাংশে দাঁড়িয়েছে। এপ্রিল-জুন প্রান্তিকে মূল্যস্ফীতির প্রধান কারণ হিসেবে দেখা হয়েছে বিদ্যুতের মূল্যবৃদ্ধিকে। তবে গত প্রান্তিকের মূল্যস্ফীতিতে এর প্রভাব কিছুটা কমেছে। হেডলাইন মূল্যস্ফীতিতে বাড়িভাড়ার পাশাপাশি স্বাস্থ্য ও ব্যক্তিগত সেবা খাতে ব্যয় বাড়ার মতো বিষয়গুলোর অবদানও গত প্রান্তিকে বেড়েছে। হেডলাইন মূল্যস্ফীতিতে গত প্রান্তিকে সেবা খাতের ২৫ শতাংশ ও পঁচনশীল পণ্যের ২৩ শতাংশ অবদান ছিল। যেখানে গত জুনে এ দুই খাতের অবদান ছিল যথাক্রমে ১২ ও ১৮ শতাংশ। অন্যদিকে গত জুনে অপঁচনশীল পণ্যের অবদান ৭০ শতাংশ থাকলেও গত সেপ্টেম্বরে তা ৫২ শতাংশে নেমে এসেছে।

বাংলাদেশ ব্যাংকের তথ্য অনুযায়ী, গত জুলাই-সেপ্টেম্বর প্রান্তিকে আগের তিন মাসের তুলনায় প্রায় সব নিত্যপণ্যের দাম বেড়েছে। পুরো সময়জুড়েই কাঁচামরিচের দাম ছিল উর্ধ্বমুখী। এ সময় চাল ও পেঁয়াজের দাম কমার আগে প্রথমে বেড়েছিল। ডিমের দামের মার্জিন স্থিতিশীল হওয়ার আগে কিছুটা কমেছে। সোনালি মুরগির দাম স্থিতিশীল হওয়ার আগে জুন থেকে ক্রমাগত বেড়েছে। আবার এ সময়ে বাজারে সয়াবিন তেল, আলু ও মসুর ডালেও ক্রয় ও বিক্রয়মূল্যের মধ্যে স্থিতিশীল পার্থক্য দেখা গেছে। ২০২২ সালের এপ্রিল থেকে বাংলাদেশে মজুরি প্রবৃদ্ধির তুলনায় মূল্যস্ফীতির উর্ধ্বগতি ছিল তুলনামূলক বেশি। এতে ক্রয়ক্ষমতা কমেছে সাধারণ মানুষের। উল্লেখযোগ্য মাত্রায় অবনমন হয়েছে প্রকৃত আয়ে। তবে গত সেপ্টেম্বর প্রান্তিকে ঢাকা ও রংপুর অঞ্চলে আয় কিছুটা বেড়েছে বলে বাংলাদেশ ব্যাংকের প্রতিবেদনে উল্লেখ করা হয়েছে।

বাংলাদেশের প্রবৃদ্ধি কমেবে গড়ে মূল্যস্ফীতি হবে ৯.৭%; আইএমএফের পূর্বাভাস

বাংলাদেশের সাম্প্রতিক সময়ে নানাবিধ পরিস্থিতি বিবেচনায় আন্তর্জাতিক কয়েকটি সংস্থা বাংলাদেশের উন্নয়ন প্রবৃদ্ধির পূর্বাভাস কমিয়ে এনেছে। আন্তর্জাতিক মুদ্রা তহবিল (আইএমএফ) মনে করছে, চলতি ২০২৪-২৫ অর্থবছরে বাংলাদেশের মোট দেশজ উৎপাদন

বা জিডিপি প্রবৃদ্ধি হবে মাত্র সাড়ে ৪ শতাংশ। আর মূল্যস্ফীতি হবে গড়ে ৯ দশমিক ৭ শতাংশ। একই প্রতিবেদনে সংস্থাটি বলেছে, ২০২৪ শেষে দেশের চলতি হিসাব ঋণাত্মক ১ দশমিক ৪ শতাংশ হবে, ২০২৫ সাল শেষে এটি আরও বেড়ে ঋণাত্মক ১ দশমিক ৫ শতাংশ হবে।

যদিও চলতি অর্থবছরের জন্য সংস্থাটির প্রবৃদ্ধির ক্ষেত্রে আগের পূর্বাভাস ছিল ৬ দশমিক ৬ শতাংশ। যুক্তরাষ্ট্রের ওয়াশিংটন থেকে প্রকাশিত আইএমএফের 'ওয়ার্ল্ড ইকনোমিক আউটলুক' রিপোর্টে এ পূর্বাভাস দিয়েছে। সম্প্রতি বাংলাদেশের সবচেয়ে বড় উন্নয়ন সহযোগী বিশ্ব ব্যাংক বাংলাদেশের অর্থনীতির ওপর হালনাগাদ প্রতিবেদনে প্রবৃদ্ধি কমে মাত্র ৪ শতাংশে দাঁড়াতে বলে পূর্বাভাস দেয়। রাজনৈতিক অনিশ্চয়তা এবং সাম্প্রতিক বন্যা এর অন্যতম কারণ বলে বিশ্বব্যাংক উল্লেখ করে।

এদিকে বিশ্ব ব্যাংকের পূর্বাভাসে চলতি অর্থবছরে মূল্যস্ফীতি কিছুটা কমে আসার পূর্বাভাস থাকলেও আইএমএফ মনে করছে, মূল্যস্ফীতি না কমে বরং অপরিবর্তিত থাকতে পারে। গত অর্থবছরে (২০২৩-২৪) দেশে মূল্যস্ফীতির গড় হার ছিল ৯ দশমিক ৭ শতাংশ। আইএমএফের অনুমান, চলতি অর্থবছরেও ৯ দশমিক ৭ শতাংশে থাকবে। বিশ্বব্যাংক বলেছিল, খাদ্যের উচ্চ মূল্য এবং সরবরাহজনিত সমস্যার কারণে চলতি অর্থবছরে উচ্চ মূল্যস্ফীতি বজায় থাকবে। তবে তা গত অর্থবছরের ৯ দশমিক ৭ শতাংশ থেকে ৯ শতাংশে নামতে পারে।

আইএমএফ প্রতিবছর এপ্রিলে এবং অক্টোবরে 'ওয়ার্ল্ড ইকনোমিক আউটলুক' প্রকাশ করে। এই রিপোর্টে অর্থনীতির বিভিন্ন সূচকে দেশভিত্তিক সর্বশেষ হিসাব এবং আগামীর জন্য পূর্বাভাস থাকে। মূলত বিশ্বব্যাংক ও আইএমএফের বসন্তকালীন সভা এবং বার্ষিক সভায় এই ফ্ল্যাগশিপ রিপোর্ট প্রকাশ করা হয়। আইএমএফ ওয়ার্ল্ড আউটলুকের শুরুতে বলছে, মূল্যস্ফীতির বিরুদ্ধে বিশ্বব্যাপী যুদ্ধ প্রায় জিতেছে; এখন স্থিতিশীলতার জন্য একটি ত্রিমাত্রিক নীতি প্রয়োজন। সারা বিশ্বে মূল্যস্ফীতি কমে এলেও কিছু দেশে মূল্যের চাপ অব্যাহত রয়েছে বলে মনে করছে সংস্থাটি। ২০২২ সালের তৃতীয় প্রান্তিকে সারা বিশ্বের গড় মূল্যস্ফীতি ছিল ৯ দশমিক ৪ শতাংশে। তবে সারা বিশ্বের মূল্যস্ফীতি এমন স্থিতিশীল হয়েছে যে, ২০২৫ সালের পর গড় মূল্যস্ফীতি কমে দাঁড়াতে ৩ দশমিক ৫ শতাংশে।

অধিকন্তু, বিশ্বব্যাপী মুদ্রানীতির ব্যাপারে সব দেশের কড়াকড়ি সত্ত্বেও, বৈশ্বিক মন্দা এড়িয়ে বিশ্ব অর্থনীতি অস্থাবিকভাবে স্থিতিস্থাপক রয়ে গেছে। ২০২৪ এবং ২০২৫ সালে বিশ্বের অর্থনৈতিক প্রবৃদ্ধি ৩ দশমিক ২ শতাংশে স্থির থাকবে বলে অনুমান করছে আইএমএফ। যদিও কয়েকটি দেশ, বিশেষকরে নিম্ন-আয়ের উন্নয়নশীল দেশগুলো প্রতিনিয়ত রাজনৈতিক সংঘাতের কারণে প্রবৃদ্ধির উল্লেখযোগ্য নিম্নমুখী পরিবর্তন দেখেছে। এদিকে আইএমএফ বলছে, পাঁচার হওয়া অর্থ দেশে ফেরাতে বাংলাদেশসহ সদস্য দেশগুলোকে সহায়তা। বিশ্ব ব্যাংক গ্রুপের সপ্তাহব্যাপী সম্মেলনের প্রথম দিনে সুশীল সমাজের প্রতিনিধিদের সঙ্গে বৈঠক করেন আন্তর্জাতিক মুদ্রা তহবিল (আইএমএফের) ব্যবস্থাপনা পরিচালক ক্রিস্টিয়ানো জর্জিয়েবা। আইএমএফের ব্যবস্থাপনা পরিচালক ক্রিস্টিয়ানো জর্জিয়েবা বলেন, বাংলাদেশের মতো উন্নয়নশীল এবং কম আয়ের দেশে সংখ্যার বিচারে মূল্যায়ন কমাটাই সব নয়। অন্য অনেক ফ্যাক্টর কাজ করে

কোটি টাকার শুল্ক-কর আদায় হয়েছিল। এর চেয়ে ৪ হাজার ৫৮৫ কোটি টাকা কম আদায় হয়েছে এবার, অর্থাৎ নেতিবাচক প্রবৃদ্ধি হয়েছে।

চলতি ২০২৪-২৫ অর্থবছরের পুরো প্রথম প্রান্তিকেই (জুলাই-সেপ্টেম্বর) রাজস্ব আদায়ে মন্দাভাব চলছে। জুলাই মাসে রাজস্ব আদায়ের লক্ষ্য ছিল ২৫ হাজার ৫৬৯ কোটি টাকা। এর বিপরীতে আদায় হয়েছে ২০ হাজার ২৬৯ কোটি টাকা। অর্থবছরের প্রথম মাসেই রাজস্ব আদায়ে ঘাটতি হয়েছে পাঁচ হাজার কোটি টাকার বেশি। পরের মাস আগস্টেও একই অবস্থা দেখা গেছে। ওই মাসে ৩১ হাজার ৬০৭ কোটি টাকার লক্ষ্যমাত্রার বিপরীতে রাজস্ব আদায় হয়েছে ২১ হাজার ৬২৯ কোটি টাকা। ওই মাসে রাজস্ব আদায়ে প্রায় ১০ হাজার কোটি টাকার ঘাটতি হয়। সর্বশেষ গত সেপ্টেম্বর মাসে রাজস্ব আদায়ের লক্ষ্য ছিল ৩৯ হাজার ৩২৪ কোটি টাকা। আদায় হয়েছে ২৯ হাজার ২ কোটি টাকা। এই মাসেও রাজস্ব আদায়ে ঘাটতি হয়েছে ১০ হাজার কোটি টাকার বেশি।

জুলাই-সেপ্টেম্বর প্রান্তিকে আমদানি শুল্ক, মূল্য সংযোজন কর (মূসক বা ভ্যাট) ও আয়কর-এই তিন খাতের কোনোটিতেই লক্ষ্য পূরণ হয়নি। তিন খাতেই আগের বছরের চেয়ে রাজস্ব আদায় কমেছে, অর্থাৎ নেতিবাচক প্রবৃদ্ধি হয়েছে। আলোচ্য সময়ে সবচেয়ে বেশি ঘাটতি হয়েছে আয়কর খাতে। তিন মাসে ঘাটতি হয় সাড়ে ১০ হাজার কোটি টাকার মতো। এই খাতে আদায়ের লক্ষ্য ছিল ৩৩ হাজার ৬৮১ কোটি টাকা। এ সময়ে আদায় হয়েছে ২৩ হাজার ১৬৪ কোটি টাকা, যা আগের অর্থবছরের একই সময়ের চেয়ে ৬ কোটি টাকা কম।

আমদানি খাতে তিন মাসে ২৮ হাজার ৬৩৭ কোটি টাকার লক্ষ্যের বিপরীতে আদায় হয়েছে ২২ হাজার ১৪৫ কোটি টাকা। এই খাতে ঘাটতি হয়েছে প্রায় সাড়ে ছয় হাজার কোটি টাকা। আগের বছরের একই সময়ের চেয়ে দেড় হাজার কোটি টাকা কম আদায় হয়েছে। গত জুলাই-সেপ্টেম্বরে ভ্যাট বা মূসক আদায়ে ঘাটতি হয়েছে ৮ হাজার ৫৮৮ কোটি টাকা। ভ্যাট আদায় হয়েছে ২৫ হাজার ৫৯৩ কোটি টাকা। এ সময়ে এই খাতের লক্ষ্য ছিল ৩৪ হাজার ১৮১ কোটি টাকা। আগের বছরের একই সময়ের চেয়ে তিন হাজার কোটি টাকার মতো কম রাজস্ব আদায় হয়েছে। চলতি অর্থবছরে এনবিআরের জন্য সব মিলিয়ে ৪ লাখ ৮০ হাজার কোটি টাকার শুল্ক ও কর, অর্থাৎ রাজস্ব আদায়ের লক্ষ্যমাত্রা নির্ধারণ করা হয়

ডিসেম্বরে চতুর্থ কিস্তির ঋণ পর্যালোচনা করবে আইএমএফ

বাংলাদেশের জন্য চার দশমিক সাত বিলিয়ন ডলার ঋণ অনুমোদন করেছিল আন্তর্জাতিক মুদ্রা তহবিল (আইএমএফ)। ঋণের তিন কিস্তির অর্থ ইতিমধ্যে বাংলাদেশ পেয়েছে। ঋণের চতুর্থ কিস্তি পুনর্বিবেচনা করতে আইএমএফের প্রতিনিধিদল আগামী ডিসেম্বরের প্রথম সপ্তাহে ঢাকায় আসবে। ক্রিস পাপাদাকিসের নেতৃত্বে আইএমএফ প্রতিনিধিদল বাংলাদেশের অতিরিক্ত তিন বিলিয়ন ডলার ঋণ পেতে আলোচনা করবেন। দেশের রিজার্ভ বাড়াতে অন্তর্বর্তী সরকার এই ঋণ চেয়েছিল। গত সপ্তাহে ওয়াশিংটনে আইএমএফের সদর দপ্তরে বৈঠকে অর্থ উপদেষ্টা সালেহউদ্দিন আহমেদকে এ সিদ্ধান্তের কথা জানান সংস্থাটির কর্মকর্তারা। সালেহউদ্দিন আহমেদের নেতৃত্বে দেশের প্রতিনিধিদল আইএমএফ ও বিশ্বব্যাংকের বার্ষিক বৈঠকে অংশ নেন।

আইএমএফের এশিয়া ও প্রশান্ত মহাসাগরীয় অঞ্চলের আঞ্চলিক কার্যালয়ের পরিচালক কৃষ্ণা শ্রীনিবাসন বলেন, চার দশমিক সাত বিলিয়ন ডলার ঋণের চতুর্থ কিস্তি পেতে বাংলাদেশ ভালো অগ্রগতি অর্জন করেছে। পরবর্তী পর্যালোচনার জন্য আলোচনা চলছে। গত ২৪ অক্টোবর ওয়াশিংটনে এশিয়া ও প্রশান্ত মহাসাগরীয় অঞ্চলের অর্থনৈতিক পূর্বাভাস নিয়ে সংবাদ সম্মেলনে তিনি আরও বলেন, ঢাকায় আলোচনা হয়েছে। ঋণের বিষয়টি কীভাবে এগিয়ে যাওয়া যায়, তা নিয়ে ওয়াশিংটনে আলোচনা চলছে। আগামী বৈঠকে আরও আলোচনা হবে। গত জুন পর্যন্ত চার দশমিক সাত বিলিয়ন ডলার ঋণের চতুর্থ কিস্তির জন্য বাংলাদেশ সাত শর্ত পূরণ করেছে কি না, তা পর্যালোচনা করবে আইএমএফ প্রতিনিধিদল। বাংলাদেশ কর আদায়ের লক্ষ্যমাত্রা ছাড়া সব শর্তই পূরণ করেছে। আইএমএফের লক্ষ্যমাত্রা অনুসারে, গত জুন পর্যন্ত সরকারের কর আদায়ের কথা ছিল ৩ লাখ ৯৪ হাজার ৫৩০ কোটি টাকা।

আইএমএফের আরেক শর্ত ছিল নেট আন্তর্জাতিক রিজার্ভ (এনআইআর) বাড়ানো। গত ৩০ জুনের মধ্যে প্রাথমিক এনআইএফ লক্ষ্যমাত্রা ছিল ২০ দশমিক ১১ বিলিয়ন ডলার। মে মাসের শেষের দিকে আইএমএফ তা ১৪ দশমিক ৭৯ বিলিয়ন ডলারে নামিয়ে আনে। গত ৩০ জুন পর্যন্ত দেশের এনআইআর ছিল ১৬ দশমিক সাত বিলিয়ন ডলার। এর আগে বাংলাদেশ ঋণের প্রতিটি কিস্তির শর্ত পূরণে ব্যর্থ হলে আইএমএফ তা সংশোধন করে

জুলাই-সেপ্টেম্বর তিন মাসে রাজস্ব ঘাটতি ২৫ হাজার ৫৯৭ কোটি টাকা

জাতীয় রাজস্ব বোর্ডের (এনবিআর) সর্বশেষ হিসাবে দেখা গেছে, চলতি ২০২৪-২৫ অর্থবছরের প্রথম তিন মাস জুলাই-সেপ্টেম্বরে সার্বিকভাবে শুল্ক ও কর আদায়ে ঘাটতি হয়েছে ২৫ হাজার ৫৯৭ কোটি টাকা। জুলাই, আগস্ট ও সেপ্টেম্বর কোনো মাসেই রাজস্ব আদায়ের লক্ষ্য অর্জন করতে পারেনি এনবিআর। জুলাই মাসের শুরু থেকে আগস্ট মাসের প্রথম সপ্তাহ পর্যন্ত দেশজুড়ে ছাত্র-জনতার আন্দোলনে প্রায় সবকিছু বন্ধ ছিল। এসবের প্রভাব পড়েছে শুল্ক-কর আদায়ে। আগস্ট মাসের প্রথম সপ্তাহে সরকার পরিবর্তনের পরও আবার ব্যবসা-বাণিজ্যেও ক্ষেত্রে অনিশ্চয়তা দেখা দেয়। যে কারণে কাঙ্ক্ষিত হারে রাজস্ব আদায় করা হয়নি।

এনবিআরের হিসাব অনুসারে, গত জুলাই-সেপ্টেম্বর সময়ে এনবিআরের মোট রাজস্ব আদায়ের লক্ষ্য ছিল ৯৬ হাজার ৫০০ কোটি টাকা। এর বিপরীতে আদায় হয়েছে ৭০ হাজার ৯০৩ কোটি টাকা। এ সময়ে রাজস্ব আদায়ে ঘাটতি হয়েছে ২৫ হাজার ৫৯৭ কোটি টাকা। চলতি অর্থবছরের প্রথম প্রান্তিকে এর আগের ২০২৩-২৪ অর্থবছরের একই সময়ের চেয়েও কম রাজস্ব আদায় হয়েছে। গতবার জুলাই-সেপ্টেম্বর প্রান্তিকে সব মিলিয়ে ৭৪ হাজার ৪৮৮

TRADE INFORMATION

October 2024

The following **Trade Inquiries** have been received and collected from different sources abroad. Interested member-firms may like to contact them directly without any obligation on the part of DCCI.

FAIRS & EXHIBITIONS

World Trade Expo 2024

Date: 10 - 12 Dec 2024
 Venue: Jeddah International Exhibition and Convention Center, Jeddah, Saudi
 Organizer: ICON Expo & KAC Expo
 Tel: +966 55 807 8898
 E-mail: sales@wtexpo-sa.com
 Website: <https://wtexpo-sa.com/>

Oil & Gas Annual Conference and Expo 2024

Date: 11 - 13 Dec 2024
 Venue: Yashobhoomi, New Delhi, India
 Organizer: ETEnergyworld
 Contact Person: Malika Singh
 Tel: +91 8937980597
 E-mail: malika.singh@timesinternet.in
 Website: <https://energy.economictimes.indiatimes.com/oil-gas-annual/#home>

Makkah Expo for Hotels & Restaurants 2024

Date: 17 - 19 Dec 2024
 Venue: Makkah Chamber for Exhibitions and Events Center, Mecca, Saudi Arabia
 Organizer: Wehdat Al Ertikaz.
 Tel: +96650-787-2024
 E-mail: sales@w-ertikaz.com
 Website: <https://makkahexpo.net/>

Hong Kong Toys & Games Fair 2025

Date: 06 - 09 Jan 2025
 Venue: Hong Kong Convention and Exhibition Centre, Hong Kong
 Organizer: Hong Kong Trade Development Council (HKTDC)
 Tel: (852) 1830 668
 Fax: (852) 2824 0249
 Website: <https://www.hktcdc.com/event/hktofair/en>

Hong Kong Baby Products Fair 2025

Date: 06 - 09 Jan 2025
 Venue: Hong Kong Convention and Exhibition Centre, Hong Kong
 Organizer: Hong Kong Trade Development Council (HKTDC)
 Tel: (852) 1830 668
 Fax: (852) 2824 0249
 Website: <https://www.hktcdc.com/event/hktofair/en>

Hong Kong International Stationery and School Supplies Fair 2025

Date: 06 - 09 Jan 2025
 Venue: Hong Kong Convention and Exhibition Centre, Hong Kong
 Organizer: Hong Kong Trade Development Council (HKTDC)
 Tel: (852) 1830 668
 Fax: (852) 2824 0249
 Website: <https://www.hktcdc.com/event/hktofair/en>

BioLogic Summit 2025

Date: 13 - 16 Jan 2025
 Venue: Hilton San Diego Bayfront, San Diego, USA
 Organizer: Cambridge Innovation Institute
 Tel: 781.972.5400
 Fax: 781.972.5425
 E-mail: chi@healthtech.com
 Website: <https://www.biologicsummit.com/>

Saudi Indian Forum and Expo

Date: 18 - 20 Jan 2025
 Venue: Khamis Mushait, Saudi Arabia
 Organizer: Better Event & Chamber of Abha
 Phone: +966 55 578 4993
 E-mail: info@betterevent.com.sa
 Website: <https://betterevent.com.sa/en>

International Private Label & Contract Manufacturing Expo 2025

Date: 23 - 25 Jan 2025
 Venue: Bombay Exhibition Centre (BEC), Mumbai, India
 Organizer: IPLCMEXPO
 Contact Person: Ms. Jacqueline Sonawane
 Phone: +91 9820109077
 E-mail: sales@iplcmexpo.com
 Website: <https://www.iplcmexpo.com/>

Home Design and Remodeling Show 2025

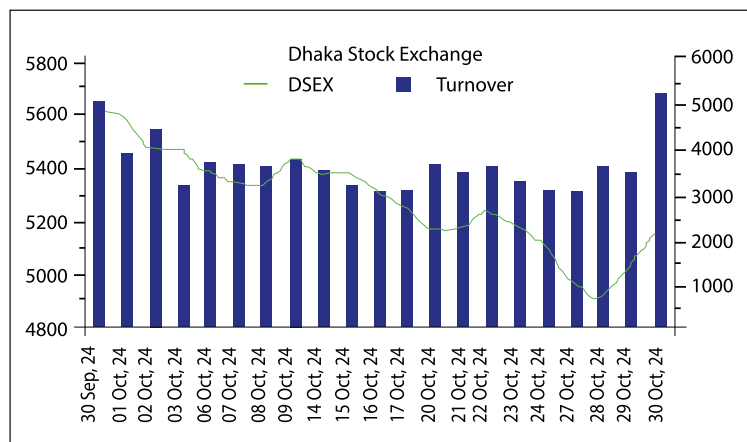
Date: 31 Jan - 02 Feb 2025
 Venue: Broward County Convention Center, Fort Lauderdale, USA
 Organizer: Home Show Management Corp.
 Phone: 305.667.9299
 E-mail: info@homeshows.com
 Website: <https://homeshows.com/home-show-dates-miami/>

Summit For Clinical Ops Executives 2025

Date: 03 - 06 Feb 2025
 Venue: Rosen Shingle Creek, Orlando, USA
 Organizer: Cambridge Innovation Institute
 Tel: 781.972.5400
 Fax: 781.972.5425
 E-mail: chi@healthtech.com
 Website: <https://www.biologicsummit.com/>

Note: Information about trade fairs and events may change. To get more information, please contact the organizers.

Share Market (As of October 31, 2024)



REGIONAL MARKETS, JULY 2024

Country	Index	PE	Yield	Interest Rate (%)
Bangladesh**	DSE-30 Index	11.32	3.95	4.00
	DSEX	11.93	3.74	
India	SENSEX	24.23		6.50
	BSE 100			
Sri Lanka	CSE All Share Index	9.20		8.25
Thailand	SET	17.20		2.50
Hong Kong	Hang Seng	10.05		5.75
China	Composite	12.55		3.35

Source: DSE, ** Weighted Average Interest Rate of Advances, as of February, 2024

Date	Total Trade	Total Volume	In Taka (mn)	Market Cap. In Tk. (mn)
01-10-2024	131159	144723141	3894.783	68011243.539
02-10-2024	142591	166876404	4408.312	6720489.065
06-10-2024	129292	142095985	3681.887	6666302.80
08-10-2024	117041	123775985	3553.753	6663010.681
09-10-2024	125917	134303302	3766.090	6744165.752
14-10-2024	127015	12706568	3507328	6712106.271
16-10-2024	108041	111581689	2963.415	6729173.708
20-10-2024	122223	148209199	3624.219	6626151.788
22-10-2024	116277	131970615	3582.247	6660625.580
24-10-2024	114207	123629359	3060.131	6568686.214
27-10-2024	124556	140476236	3038.088	6470883.208
28-10-2024	131338	173324996	3572.471	6436138.068
29-10-2024	136216	150893180	3465.864	6516967.247
30-10-2024	171749	215583964	5193.127	6637226.351
31-10-2024	176106	231946529	5563.084	6653321.257

DSE Top 20 Gainers

Company	Close Price	% Price	Turnover BDT mn
NAVANAPHARM	46.20	10.00	17.83
WMSHIPYARD	6.60	10.10	1.82
QUEENSOUTH	12.10	10.10	3.36
FUWANGFOOD	12.10	10.10	16.49
UNIONINS	26.40	10.10	12.27
CENTRALINS	41.80	10.10	5.11
SONARBAINS	20.90	10.10	0.79
EASTERNINS	45.10	10.10	8.35
MONNOFABR	14.40	10.10	13.40
CNATEX	4.40	10.10	5.76
JANATAINS	24.20	10.10	2.19
ARAMIT	169.70	9.98	1.86
CITYGENINS	45.20	9.96	2.79
BPML	26.50	9.96	5.59
NORTHRNINS	26.50	9.96	0.86
PRIMELIFE	30.90	9.96	1.55
SAMORITA	54.20	9.94	4.29
EHL	58.60	9.94	34.25
ICB	65.30	9.93	21.42
INITEDFIN	15.50	9.93	36.00

DSE Top 20 Losers

Company	Close Price	% Price	Turnover BDT mn
MIDLANDBNK	27.90	-7.92	112.76
BIFC	10.90	-6.03	1.02
NEWLINE	12.80	-3.03	1.17
PRAGATILIF	148.00	-2.18	10.79
ALLTEX	11.80	-1.67	0.92
DESCO	20.60	-1.44	1.23
STANDBANKL	6.90	-1.43	2.83
KBPPWBIL	157.60	-1.25	47.86
SIBL	8.40	-1.18	34.21
ISLAMIBANK	50.90	-1.17	96.38
NRBBANK	12.00	-0.83	70.64
DAFODILCOM	77.00	-0.65	0.46
BANKASIA	17.10	-0.58	9.85
ESQIRENIT	21.30	-0.47	6.58
ADNTEL	84.90	-0.12	11.73
DHAKABANK	11.80	0.00	31.37
NURANI	4.00	0.00	0.77
FAREASTFIN	4.00	0.00	2.25
BEXIMCO	115.60	0.00	0.05
MERCANBANK	9.90	0.00	48.23

CURRENCY	BUY	SELL
SAUDI RIYAL (SAR)	31.4176	32.3745
UAE DIRHAM (AED)	32.1276	33.1061
US DOLLAR (USD)	120.0000	120.0000
EURO (EUR)	130.5240	130.5360
POUND STERLING (GBP)	155.4840	155.4960
JAPANESE YEN (JPY)	0.7887	0.7888
SWISS FRANC (CHF)	136.5380	140.6966
AUSTRALIAN DOLLAR (AUD)	79.0080	79.0200



DCCI former Presidents M. A. Sattar (eighth from right), Aftab-ul Islam (thirteenth from right), Asif Ibrahim (sixth from right), Md. Sabur Khan (eighth from left), Osama Taseer (ninth from right), Shams Mahmud (fourth from right), DCCI President Ashraf Ahmed (eleventh from right), Vice President Md. Junaed Ibna Ali (right) and Director & former President Barrister Md. Sameer Sattar (seventh from left) are seen in a group photo while inaugurating DCCI Parking Zone on October 12. Members of the Board of Directors, former Senior Vice Presidents, Vice Presidents and former Director were also present during the event.

DCCI President Ashraf Ahmed (third from right) seen exchanging views with the representatives from D-8 Chambers of Commerce (D-8 CCI) held on October 15.



DCCI President Ashraf Ahmed (right) seen receiving a memento from Managing Director of GEN Bangladesh K M Hasan Ripon (left) after a courtesy meeting held on October 05.

A glimpse of DCCI Dinner 2024



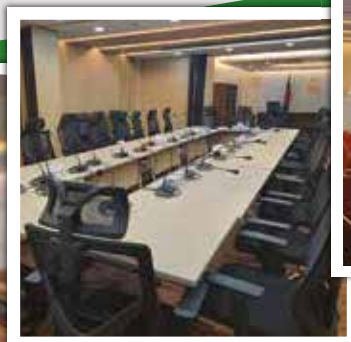
A glimpse of DCCI Dinner 2024



A glimpse of DCCI Dinner 2024



RENTAL FOR CONFERENCE AND MEETING ROOM AVAILABLE IN GULSHAN



Rental Chart for the Office Board Room & Executive Lounge of DCCI Gulshan Centre:

SL No.	Event Room	Room Dimension (L X W)	Rent (Per Day-8 Hours) in BDT	Rent (Half Day-4 Hours) in BDT	Remarks
Option : 1	Single Meeting Room (12 Persons)	19'-6" x 14'	15,000/-	10,000/-	20% Service Charge Included
Option : 2	Conference Room (20 Persons)	29' x 19'-6"	25,000/-	15,000/-	
Option : 3	Class Room (30 Persons)	29' x 19'-6"	25,000/-	15,000/-	
Option : 4	Workshop (30 Persons)	56' x 19'-6"	25,000/-	15,000/-	
Option : 5	Executive Lounge (8 Persons)	17'9" x 26'-8"	10,000/-	6,000/-	

1. Service:

- AC - Lighting.
- Bottle Water, Tissue Box etc.
- Toiletries.
- Supporting Staff: 2 Persons and
- Wi-Fi.

2. Premium Service: (Available upon request with extra payment)

- High Speed Internet – Tk. 2,000/- per MBPS
- Printing Service
- Lunch - Selected Vendor from DCCI (Rate to be fixed according to prescribed menu) and
- Refreshment - Selected Vendor from DCCI (Rate to be fixed according to prescribed menu).

DCCI Gulshan Centre

BTI Landmark (level-11), Plot- 16, Block- CWS(A), Gulshan Avenue, Gulshan-1, Dhaka-1212, Bangladesh

☎ +88-02222264246, 01914733559 | ✉ habib.rahman@dhakachamber.com

Admission Going on...

In-Person Postgraduate Diploma (PGD) in

CUSTOMS, VAT AND INCOME TAX MANAGEMENT

&

INTERNATIONAL TRADE (EXPORT & IMPORT) MANAGEMENT

Jointly with

AMERICAN INTERNATIONAL UNIVERSITY-BANGLADESH (AIUB)

Postgraduate Diploma (PGD) in

SUPPLY CHAIN MANAGEMENT

Jointly with

Daffodil International University (DIU)

Admission is going on January-June 2025 Sessaion

Admission deadline is 31st December 2024

Fee: Tk. 42,000/- for PGD in ITM & CVITM (each) and Tk. 60,000/- for SCM payable in favour of 'Dhaka Chamber of Commerce & Industry' by BEFTN/PO/Cheque. It could also be paid through bKash merchant number 01766018659 (Payment) with bKash charge. Fee includes cost of tuition, course materials, refreshments, lunch, exams fee, certificate, and excludes VAT & Tax.

For further information, please contact:

01913745062, 01766018659, 02 47122986 (Ext.124/282)

dbi@dhakachamber.com, www.dcci-dbi.edu.bd