

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▼ 0.58%	▼ 0.38%	\$1,555.10	\$64.25	▼ 0.49%	▼ 0.91%	▼ 1.00%	▼ 1.41%	BUY TK 83.95	92.33	108.60	12.03
4,408.10	8,139.48	(per ounce)	(per barrel)	41,323.81	23,864.56	3,247.17	3,052.14	SELL TK 84.95	96.13	112.40	12.65

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Mosquito repellent brands grin as phobia reigns

AHSAN HABIB

If you think you are too small to make a difference, try sleeping with a mosquito, Dalai Lama once said.

This quote best sums up the power of the insect: the need for combating it has spawned a Tk 1,600 crore market in Bangladesh.

And thanks to the city corporations' inadequacy in checking the mosquito population, the market for the insect's repellent is ever expanding.

In 2019, Bangladeshi consumers spent 18 per cent more on mosquito repellents from a year earlier, as the fear of catching diseases like dengue and chikungunya that are borne by the insect gripped the nation. This also created scope for manufacturers to hike the prices.

Last year, the overall mosquito repellent market, comprising aerosol, smoke coil and vaporiser, stood at Tk 1,579.5 crore, which was Tk 1,336.3 crore and Tk 1,061 crore previously, according to market insiders.

Apart from these, people also bought mosquito repellent creams and spray like Purnava, Odomos and Goodknight along with anti-mosquito rackets. But, the market size of the products is not substantial yet.

Apart from the private market, Dhaka North City Corporation (DNCC) and Dhaka South City Corporation (DSCC) procured medicine worth Tk 31.39 crore in the fiscal 2018-19.

And yet, Amirul Islam, a grocery shop keeper of Jatrabari, has to use smoke coils every day even in broad daylight to fend off mosquitoes and the diseases they come bearing.

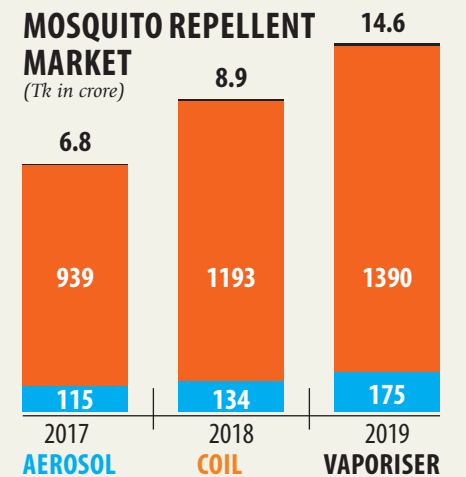
"This is all because of city corporations' apathy towards controlling the insect's population."

The grocer barely used coils in the past because the fright of dengue and chikungunya was rare.

A total of 101,354 dengue cases were reported last year, of which 49,544 were outside Dhaka, according to the Directorate General of Health Services (DGHS). The number of deaths was 156.

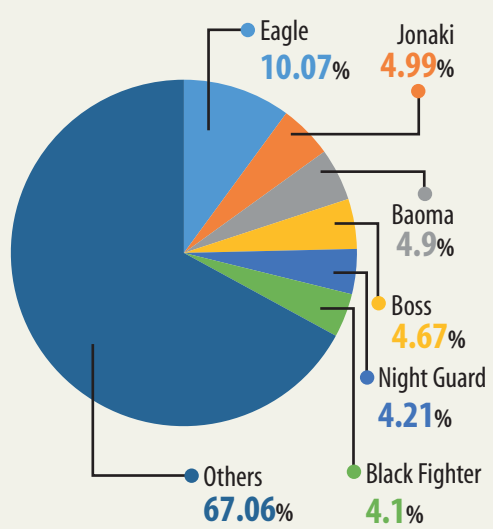
According to experts, there is a huge risk of dengue outbreak this year as authorities concerned have failed to take any visible effective measure so far to control Aedes mosquito, the vector, outside Dhaka.

"Since mosquito disturbance is escalating, so are the use of coils, aerosols and vaporisers,"

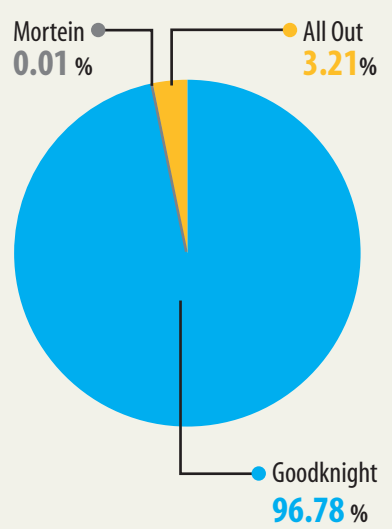


SOURCE: INDUSTRY INSIDERS

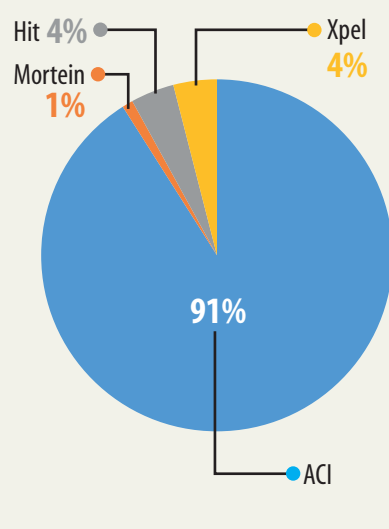
SMOKE COIL MARKET



VAPOURISER MARKET



AEROSOL MARKET



said Syed Alamgir, managing director of ACI Consumer Brands, which markets ACI Aerosol.

People are using coils in a larger extent than other products though some coil brands may have health concerns.

"But aerosol is safer," he said.

Smoke coils accounted for 88 per cent of the market for mosquito controlling products last year, according to data from industry insiders.

Aerosol and vaporisers are usable only in closed rooms, but coils can be used in open places too to ward off mosquitoes, said the top ACI Consumer Brands official.

"That is why many people use coils," Alamgir added.

Istiaque Nahid, senior brand manager of Quazi Enterprises, which markets the Eagle brand of mosquito coil, acknowledged the health concerns.

Some mosquito coil makers

are not maintaining the standard of active ingredient use set by the Bangladesh Standards and Testing Institution.

"These cause more long-term harm than the mosquito-borne diseases themselves, so people should be careful about their choice of coil brands." Excessive use of toxic ingredients may cause asthma and problems for pregnant women. "It may even lead to cancer," he said.

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Govt failing to create jobs for youths fast enough

Finds a CPD study

STAR BUSINESS REPORT

The government will be able to create only half of the 3 crore jobs it promised to generate by 2030 at the current pace of employment growth, said a think-tank yesterday, in a disheartening projection for the growing number of youth desperate for work.

In its election manifesto in 2018, the Awami League had pledged to create the jobs by 2030. But according to the projections of the International Labour Organisation (ILO), 1.49 crore jobs would be created at the existing rate of employment growth of 2.4 per cent.

"This means, only half of the job creation targets of the government will be achieved by 2030," said the Centre for Policy Dialogue (CPD) in a new study.

The study was unveiled at a dialogue on "Role of the Public Service Delivery in Ensuring Employment for the Marginalised Youth Community", organised by the CPD at the capital's at the Lakeshore Hotel.

It is not possible to pull off the employment goal, particularly create the expected number of jobs for the youth, through traditional methods, the study report said.

"It is the state's responsibility to take up programmes for the youth," said Rehman Sobhan, a noted economist and chairman

YOUTH EMPLOYMENT AND EFFECTIVENESS OF PUBLIC SERVICES

Total youth **2** crore
Male youth **1.3** crore
Female youth **70** lakh
Unemployed youth **74** lakh

MAJOR FINDINGS

- One-third youth want to go abroad
- Urban youth receive technical education
- Marginalised youth shut out from technical education
- Govt technical institutes don't provide need-based training
- Madrasa education does not meet market demand skill

of the CPD.

He criticised the culture as youth now have to go through political DNA test to avail government jobs.

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Rehman Sobhan, chairman of the Centre for Policy Dialogue, speaks at a discussion on 'Youth employment and effectiveness of public services' at the Lakeshore hotel in Dhaka yesterday. Md Mujibul Haque and Nahim Razaq, lawmakers; Debapriya Bhattacharya, a distinguished fellow of the CPD; and Tahsinah Ahmed, executive director of UCEP Bangladesh, are also seen.

Telcos fined Tk 4.71cr over illegal call termination

MUHAMMAD ZAHIDUL ISLAM

The telecom regulator is set to slap all four mobile operators with fines after their SIMs were found being used in illegal call termination.

Call termination refers to the routing of calls from one carrier or provider to another. In Bangladesh diverting international calls from designated gateways is illegal.

Though the SIMs (subscriber identity modules) were registered through biometric verification, they were not being used by the individuals, found the telecom watchdog from different raids in the capital between July 14 and August 1 last year.

The Bangladesh Telecommunication Regulatory Commission seized 4,707 SIMs. At first, the telecom watchdog sought

TELCOs FACING FINE

OPERATOR	SEIZED SIMS	FINE
Teletalk	4,358	Tk 43,580,000
Robi/Airtel	321	Tk 3,210,000
Banglalink	22	Tk 220,000
Grameenphone	6	Tk 60,000

explanations from the operators but did not find them acceptable.

Subsequently in a recent meeting, it decided to impose a fine of Tk 10,000 for each connection, said BTRC Chairman Md Jahurul Haque.

Of the total fine of Tk 4.71 crore, state-run Teletalk alone accounted for Tk 4.36 crore: 4,358

of its SIMs were used in call termination.

Demand letters will soon be sent to the operators, said another official of the BTRC.

In 2012 the telecom regulator first decided to impose a fine of \$50 against each SIM that would be found unregistered or registered with incorrect information.

The amount of the fine was later fixed at Tk 5,000 and revised up to Tk 10,000 in 2019.

In response to the BTRC's call, the mobile operators said they had registered the SIMs with proper information but had no mechanism to detect if the connections were being used in any illegal activity.

But telecom licences bind the operators to put in place a means to prevent subscribers from being engaged in illegal call termination, said BTRC officials.

Solving bank troubles, GP-regulator issues key for DSE

Says Hong Kong-based investment firm Asia Frontier Capital

AHSAN HABIB

Bangladesh's stock market can be revived by strengthening the banking sector and settling the tussle between Grameenphone and the telecom regulator, said Hong Kong-based investment firm Asia Frontier Capital (AFC).

The AFC focuses on high growth Asian frontier economies by managing the AFC Asia Frontier Fund, through which it invests in Bangladesh's capital market.

Improving stock market sentiment requires some very simple decisions but the question remains over whether the political will exists, it said in its annual publication "AFC Asia Frontier Fund: 2019 Review and Outlook For 2020".

GDP growth and overall macroeconomic indicators remain stable but until the authorities can resolve the issues pertaining to the banking sector and mobile operator, which together account for 32 per cent of the index, the overall sentiment may remain soft, the report said.

"However, on a bottom up basis we expect pharmaceutical and consumer discretionary companies to do well as consumption demand should remain strong due to it being an underpenetrated market."

Air conditioner penetration in Bangladesh is 3 per cent, refrigerator 20 per cent and washing machine 2 per cent.

"We believe that the Bangladeshi local

"However, on a bottom up basis we expect pharmaceutical and consumer discretionary companies to do well as consumption demand should remain strong due to it being an underpenetrated market."

currency will depreciate moderately in 2020 to support export growth," it said.

The government though has maintained strongly that the local currency will not be devalued.

Export growth weakened in the last few months of 2019.

However, the report does not expect a sudden devaluation but a more gradual 3 to 5 per cent depreciation going forward.

"Any positive moves on the policy front regarding Grameenphone or the banking sector can lead to a big re-rating as the macro fundamentals and earnings growth remain stable."

The recent market slide resulted from the Grameenphone-regulator tussle and health deterioration of the banking sector, leading to the rise of negative sentiments across the market.

Grameenphone, the largest listed company in the DSEX in terms of market capitalisation, is currently going through a major legal battle with the telecom regulator regarding taxes.

This issue is not new but has heated up in 2019, which has led to weaknesses.

It has not only brought down Grameenphone's stock price but also negatively impacted the broader investor sentiment.

The other dampener on investor sentiment has been issues centring the banking sector, which accounts for almost 18 per cent of the index.

The government over the past year or so has taken decisions that have impacted funding costs of the banking sector, leading to pressure on net interest margins as well as loan growth.

Furthermore, with worries of rising default loans within state-run banks, fear and uncertainty have spread across the banking sector, which has led to a drop in private sector credit growth.