

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▼ 1.56%	▼ 1.62%	\$1,582.20	\$49.67	▼ 3.64%	▼ 3.67%	▼ 3.23%	▲ 3.71%	83.95	91.74	106.98	11.89
4,409.91	8,197.37	(per ounce)	(per barrel)	38,297.29	21,142.96	3,011.08	2,880.30	84.95	95.54	110.78	12.50

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Walton's smartphones, ACs set sail for US and India

Its industrial campus declared private hi-tech park

STAR BUSINESS REPORT

Walton yesterday kicked off exports of air conditioner and smartphones to India and the US respectively, in a development that can be viewed as yet another feather in the cap for the trailblazing home-grown electronics giant.

Finance Minister AHM Mustafa Kamal flagged off the shipments in a ceremony held at the premises of

Walton Digi-Tech Industries in Chandra, Gazipur. Posts and Telecom Minister Mustafa Jabbar and ICT State Minister Zunaid Ahmed Palak were also present at the ceremony.

The dignitaries also inaugurated various projects and products of Walton Hi-Tech Industries: the country's first lift manufacturing plant, all-in-one PC manufacturing plant and Walton TV's own operating system ROS. The annual production capacity of the newly built



elevator factory is about 1,000 units. The plant will save the country huge sums of foreign currency.

Currently, the country needs about 5,000 elevators, with the amount expected to increase given the rate at which high-rise buildings are sprouting, according to Walton.

So, Walton plans to set up another unit for lift manufacturing.

The ministers also visited various production plants at the campus, including those of refrigerators, compressors, televisions, air conditioners, mobile phones, computers, laptops, home appliances and electric appliances.

Kamal praised Walton for breeding a technological industry and asked the company to take forward the current government's political mandate of Digital Bangladesh.

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ACI swims against the tide, enters shrimp export market

Sets up a modern Tk 25cr processing plant

SOHEL PARVEZ

ACI Agrolink, a subsidiary of Advanced Chemical Industries (ACI), has set foot in shrimp processing to make a breakthrough in the global seafood market and take the sector out of troubled waters.

Bangladesh's shrimp exports have been on the wane since fiscal 2013-14 in the face of increased competition from countries such as India, Vietnam and Thailand, where low-priced vannamei shrimp are grown.

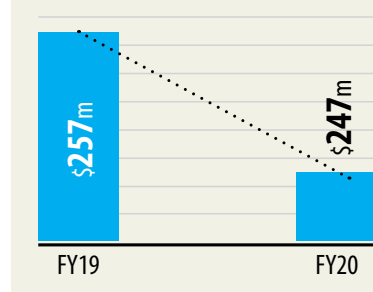
The factory, which was set up at a cost of Tk 25 crore, sits in the shrimp farming village Amian in Kaliganj upazila of Satkhira, one of the main

shrimp growing districts. This is in contrast to other processors, who opt to have plants on the banks of Rupsha river in the southwest division of Khulna, meaning the shrimps spend hours on the road before they are processed. As a result, the quality of shrimp deteriorates.

"This is one of the differences in our shrimps," said FH Ansarey, managing director and chief executive of ACI's agribusiness division.

ACI Agrolink purchases black tiger shrimps directly from farmers, so there is next to no risk of bacterial contamination en route to the processing plant, which has the

Export earnings in first seven months of fiscal year



capacity to process 30 tonnes of shrimp daily.

Besides, the locational advantage means the quality of shrimps sold will be better than the other processors.

"So, ACI will be able to win the confidence of the quality conscious customers abroad," Ansarey added.

ACI is entering the export-oriented sector at a time when half of the shrimp and fish processing factories have gone out of business due to shortage of a few essential raw materials.

Currently, about 15 processing plants are engaged in exports.

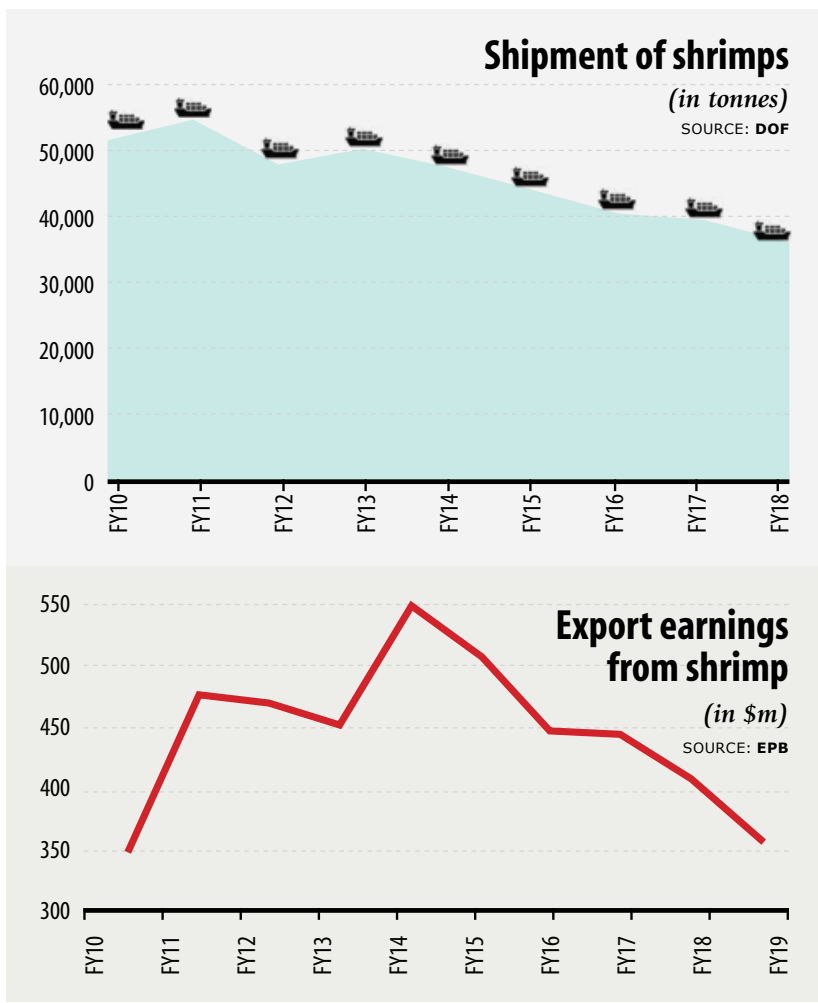
They are registering falling receipts thanks to change in consumer preference: buyers now opt for cheaper alternatives to the expensive black tiger and freshwater prawn varieties of shrimp, which are mainly farmed on 2.72 lakh hectares of land in the southwest coastal region.

More than eight lakh farmers cultivate shrimps for their livelihoods and the US market has been the mainstay of their earnings over the past couple of decades.

As demand from abroad has fallen in recent years in the face of ample supply of vannamei shrimp from other countries, the local market acted as a safety net for farmers thanks to the rising purchasing power of people.

ACI Agrolink, which began production at their factory in October last year, is well aware of this fact.

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Salt farmers, millers demand increase in import duty on sodium sulphate

Sodium chloride imports disguised as sodium sulphate, they allege

STAR BUSINESS REPORT

Salt farmers and millers yesterday demanded a three-fold increase in import duty for sodium sulphate, alleging unscrupulous businesspersons use the organic compound as camouflage to bring in sodium chloride to sell in the local market.

Sodium sulphate, which is mainly used in the manufacture of detergents, industrial dyes and paper pulp, has about 31 per cent duty on their imports for industrial use.

Salt millers or marketers are not allowed to import edible salt, or sodium chloride. They only get import permission when annual production fails to meet local demand owing to natural disasters. And they have to pay about 90 per cent import duty.

"Mis-declaration in sodium sulphate import is becoming a serious threat for us. Our business is on the brink of closure," said Motaherul Islam Chowdhury, vice-president of the Bangladesh Labon Mill Malik Samity, the association of private salt mill owners.

As they look alike and are similar in taste, many crooked businessmen are also selling sodium sulphate as salt.

The use of such salt in food poses serious health risks, Chowdhury said while speaking at a public hearing organised by the Bangladesh Trade and Tariff Commission at its office in Dhaka.

The import of sodium sulphate rose 7.45 per cent year-on-year to 563,080 tonnes last fiscal year. In the first six months of the current fiscal year, the import stood at 331,225 tonnes.

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Remittance: the only bright spot

Maintains its strong hold in February

STAR BUSINESS REPORT

Remittance kept up its strong growth momentum last month as migrant workers sent home 10.16 per cent more than they did a year earlier, in a major boost to the economy under stress from sliding exports.

Exports fell 5.21 per cent year-on-year to \$22.92 billion in the first seven months of the fiscal year, according to data from the Export Promotion Bureau.

In February, expatriate Bangladeshis sent home \$1.45 billion to take the tally to \$12.49 billion so far in fiscal 2019-20. The eight-month receipts were up 20.05 per cent year-on-year, according to data from the Bangladesh Bank.

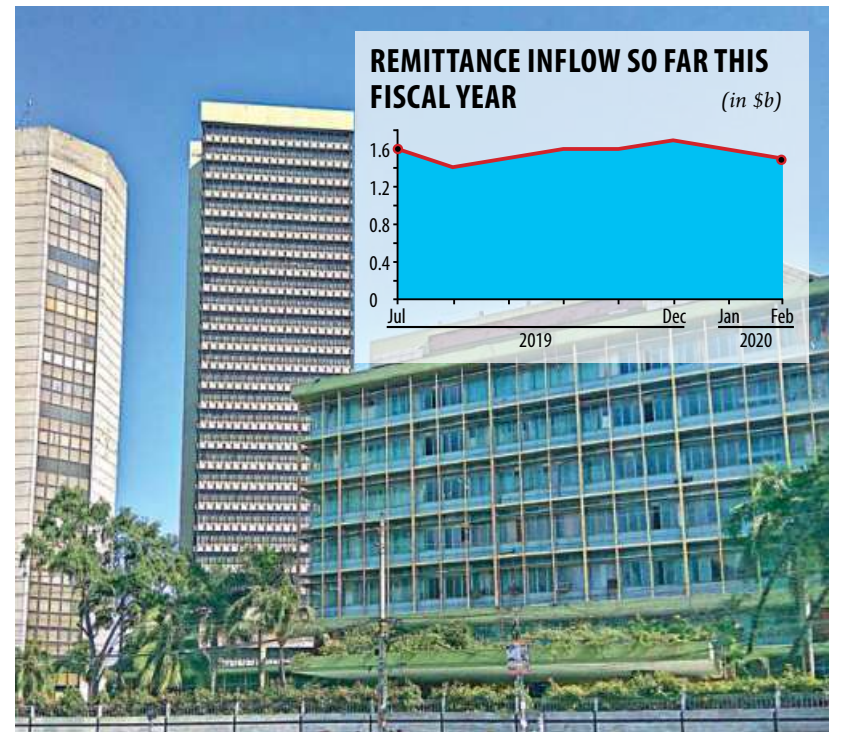
The 2 per cent cash subsidy for remitters from this fiscal year has been the main driver behind the spike, according to economists and BB officials.

If the trend continues, remittance will hit a milestone of \$20 billion come the end of the fiscal year, said BB officials. Some \$16.4 billion flew in to the country last fiscal year.

"Remittance has become the lifeline of the economy given the frustrating performance of all other economic indicators," said Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh.

The country's balance of payment would have faced severe crisis if remittance had failed to maintain the upward trend.

The current account deficit contracted 60 per cent year-on-year to \$1.34 billion in the first half of the fiscal year. The overall balance, another



major component of the balance of payment, stood at \$27 million during the period. A year earlier, it was \$513 million in the deficit.

Besides, the foreign exchange reserve is at a comfortable level thanks to the strong growth of remittance, said Mansur, also a former economist of the International Monetary Fund.

"The favourable exchange rate of the taka against the US dollar and a strong stance taken by the central bank against illegal money transfers have had a positive impact on remittance," said Md Arfan Ali, managing director of Bank Asia.

On March 1, the inter-bank exchange rate stood at Tk 84.95 per dollar, up nearly 1 per cent from a year earlier, BB data showed.

Banks have recently improved their skills to mobilise remittance in order to tackle the shortage of foreign exchanges, Ali said.

The expanding remittance flow has had a good impact on GDP growth as well, said Syed Mahbubur Rahman, managing director of Mutual Trust Bank.

"This has increased the spending power of the near and dear ones of remitters."

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